THE Freeman

IDEAS ON LIBERTY

APRIL 1960

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THE FOUNDATION
FOR ECONOMIC EDUCATION, INC.
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THE Freeman

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A doctor explores the question of socialized medicine in the light of current legislative proposals.

"AND FOR OTHER PURPOSES"

GORDON B. LEITCH, M. D.

ON DECEMBER 17, 1959, the *Wall Street Journal* carried a special article by Paul Duke which stated: "Suddenly and unexpectedly, chances are growing that 1960's election year Congress will approve some form of compulsory health insurance plan for the aged under the Social Security program. The Eisenhower administration, after long opposition to the idea, is debating whether to propose such a bitterly controversial step."

Thus, in accordance with politics' foremost axiom – that every event must be resolved into increased power for the political apparatus – the Eisenhower administration weighs the political advantages, in an election year, in advocating a course it long opposed for sound, logical reasons. And thus, with the Forand Bill type of legislation already in the congressional hopper (H. R. 4700 in the House, a companion bill in the Senate), Americans are confronted, for the second time in less than two decades, with deciding whether to reject this latest socialized medicine assault or to lose by default another and most significant segment of their freedom.

Most Americans over the years have tended to regard socialized medicine as something of a bogey. It might happen, perhaps, given the general socialized trend and the continued erosion of that freedom which has enabled America to reach its position unique in the history of the world. But it would be a last phase sort of thing, perhaps accompanying the nationalization of industry.

This judgment, however, failed to recognize the significance of the growing Social Security system. A few courageous people pointed out from the beginning

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the political implications of the mistakenly called Social Security Act with its assumption of government responsibility for *individual* welfare (not the *general* welfare specified in the Constitution) and its device of compulsory "savings" through payroll deductions. But the warnings went unheeded.

Meanwhile, many doctors had been warning that Social Security carried the seeds of socialized medicine, requiring only a declaration of government responsibility for "health," with a corresponding increase in forced "savings" through payroll taxes. Both steps are advocated in the current legislation already cited.

Why Doctors Oppose

It is common knowledge that physicians, almost to a man, are opposed to socialized medicine. But the reasons for their opposition go much deeper than the popular but mistaken belief that doctors are merely pursuing their own selfish interests.

As American citizens, they question the moral, economic, political, and legal propriety of government action to supply individual needs or desires for any marketable item, whether it be food, lodging, medical care, automobiles, entertainment, or what not. In short, are such actions a legitimate function of government as constituted in the United States?

As physicians, they know things about socialized medicine that most others do not; but there are two schools of thought on what to do about it. The first holds that physicians have neither the time nor the facilities to acquaint people with the unpleasant facts of government controlled medical care. Let people learn the hard way, they say, for the record shows that most Americans are unwilling to learn from the experience of others, but insist on finding out for themselves. Advocates of this position contend that it took eighteen years for people to learn about the evils of prohibition, and that after several decades of financial binge they remain unaware that they can't tax-spend themselves rich.

The second school of thought holds that the people at least should be warned, whether or not they choose to heed the warnings.

What are some of the things that doctors know about socialized medicine?[1]

---

[1] The chapter on "Political Medicine" contained in the forthcoming book, *Medicine Lost*, by Drs. T. F. Laye and Mark M. Mason, is the best account I have seen of the inescapable shortcomings of socialized medicine. I am indebted to these authors for permission to reprint or paraphrase generously from pertinent passages.

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The Patients Lose Most

First, they know the fallacy of the popular idea that doctors are somehow "punished" under a system of government medicine while patients are not. A good doctor can get ahead under any system of medicine; by his competency he makes or arranges his own security. The poor doctor is better off under government medicine because his livelihood is assured him, and his working conditions are improved. When a socialized doctor puts in his 40-hour week, he is through; he can spend the weekend with his family without giving a thought to patients. Furthermore, doctors retain the great advantage, no matter what the system of medicine, of assurance that diagnosis and care always will be available to themselves and members of their immediate family. Because it is impossible to socialize doctors without simultaneously socializing patients, doctors know that it is the patients who get the worst of the "bargain" in socialized medicine.

A Political Affair

Next, and most significantly, doctors know that socialized medicine is neither a scientific nor a medical affair. It is strictly *political.*

Other considerations vanish when a politician scents votes; and socialized medicine means votes simply because medical expenses are among the costs that people have trouble meeting. Medical costs are high for two reasons. Many procedures necessary in modern medical care are technical and costly. And today's prices are greatly inflated, primarily because government – through unnecessary taxes, spending programs, and related policies – takes too large a proportion of people's earnings.

Doctors, aware that medical costs can be reduced only by deflation and by increased medical efficiency, know that socialized medicine necessarily *decreases* medical efficiency. Consequently, they know that political promises of reduced medical costs are phoney.

Doctors know, too, that since socialized medicine is neither medical nor scientific, but strictly political, demand for medical attention of all types mounts under such conditions. The system becomes loaded – and overloaded – so that the mechanism for delivering medical care breaks down, thus doubly assuring the poor quality of such care.

In private practice, a physician might see as many as 20 or 25 patients in the course of a full day. But once the system becomes afflicted with politics, the unlimited

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demand for "free" medical care would require that he see 120 or more patients in the same period of time. To meet such quantitative demand obviously must dilute the doctor's time and skill if everyone is to receive his share of attention. Thus there occurs an inevitable loss of quality, and medical care becomes mediocre.

But quantity is no substitute for quality. Assembly-line medical attention merely stimulates the patients who are necessarily shortchanged to demand the full treatment they think they need. Thus, demand for additional physician services and related facilities continues to mount, adding to the tax load and the total cost. So, there is initiated and perpetuated a vicious circle of "free" medical care, increased utilization, breakdown of quality, demand for additional facilities, rising costs, more "free" medical care, and so on, without visible termination.

Excessive Costs

Next, doctors know that in spite of its mediocre quality, government-supported medicine is anything but low in cost.

Under the prevailing market procedure, the patient pays only for the health services he chooses to utilize. But with government controlled and politically dominated medicine, everyone must pay (unless specifically exempted as proposed for certain people in the current Forand-type legislation), whether or not they utilize the services. This is true regardless of any "free" label or other effort to distort the fact.

The intrusion of government or coercion into any market place activity always must be more costly than when the same venture is conducted voluntarily. And the people will have to pay, both directly and indirectly, and go on paying more and more.

People will pay first through increased taxes which cannot be avoided: increased withholding taxes (the Forand-type legislation amends the Internal Revenue Code to scale upward the Social Security taxes over and above the increases already scheduled by law), increased income taxes, and increased hidden or other taxes.

However, taxes are never high enough to cover the costs of something-for-nothing. So people can expect to pay, over and above increased taxes, a supplemental "use" or "service" charge at the time of incurring service or medical attention, as Britishers found necessary, to their chagrin, with regard to prescriptions and appliances.

Then there are the vagaries of human nature which lead to further costs. Whereas a person carry-

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ing fire insurance on his house will rarely think of burning down the structure simply "to get his money back," the same person has few qualms about periodically declaring himself sick in order to "collect" on his contributions. Under the impression that medical services are "free," he periodically feels obliged to get his share of this "something-for-nothing." All this burdens the system with extra costs.

Bureaucratic Overhead

Finally, there is still another inescapable cost: the "brokerage" cost of government, the handling charge, necessitated whenever government builds a regulatory fence around any segment of the economy.

Physicians know that high quality medical care, such as Americans now enjoy, is no accident. It results only when two conditions exist: the freedom of both patients and doctors to accept or reject, and the sacred and inviolate nature of a patient's confidential disclosures to his doctor.

They also know that under any system of government-supported medicine, *both* these essentials are lost, all "safeguards" and "reassurances" to the contrary notwithstanding. Socialized medicine can exist only when backed by compulsion and regimentation.

Finally, and in some respects the most disturbing to physicians, is their knowledge that the push for government controlled medicine in America comes, not from American sources, but from dedicated collectivists abroad working to attain world-wide socialism through the International Labour Organization with headquarters in Geneva, Switzerland. A hangover from the old League of Nations, it is "affiliated" with, but not a direct part of, the United Nations. It conducts its affairs independently, somewhat in the role of a world supergovernment which turns its grandiose "plans" over to its own member nations, or to the United Nations, for implementation.

The Forand Bill

Against this general background let us examine specifically H. R. 4700, the Forand Bill, typical of efforts to fasten socialized medicine on the United States as a part of the Social Security system.

First, H. R. 4700 is a revenue measure, which amends the Internal Revenue (Income Tax) Code to levy increased taxes on employees, employers, and the self-employed.

Second, it is a clear-cut bid for medical services supported and controlled by the federal government. That, initially, it is limited

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to so-called annuitants of the Social Security system, and that it proposes to subsidize only hospital, nursing home, and surgical services for this small segment of oldsters, is immaterial. The important point is that, stripped of semantic covering, this Forand-type legislation spells out state medicine — medical care by grace of governmental bureaucracy.

Finally, with disarming honesty, the Bill's preamble concludes with the significant phrase, "and for other purposes," that blank check provision beloved of all bureaucracies on the march.

While this bill does not go the whole distance now, in keeping with the grand strategy of the Geneva planners and their American cohorts, no one reading the 700 pages of congressional hearings held on the bill during July 1959 can retain the slightest doubt of the eventual goal.

Costs and Other Questions

The one-step-at-a-time strategy is also followed in the matter of raising taxes. No one, including sponsors of the legislation, has any idea what the program would cost. In his 1957 version, Representative Forand guessed it might require an increase of one per cent in withholding taxes as a start. The lower figure specified in the current bill is probably a judgment on the part of sponsors that Congress would rather add to the Social Security "Trust" Fund's mounting deficits than to further increase the withholding tax in an election year.

Confining the program to Social Security annuitants, and offering restricted medical care only, are likewise proposals "moderate" enough to be politically realistic, that is, not likely to arouse too much opposition. But the death blow to market-place medical care is there, nevertheless.

If the medical needs of a small segment of older people (not all oldsters are under Social Security by any means) is properly a government responsibility, why not the health of those below retirement age? Say those aged 64 — or 60 — or 58 — or 50 — or 42 — or 35? Why not the health of everybody?

In summary, physicians know what ex-Governor Thomas E. Dewey of New York stated when summarizing the report of a commission which he had named to study the matter: "Socialized medicine is no good. It never was any good. And it never will be any good."

The matter of government controlled medicine, instead of private practice in the market place, is important in its own right as it affects quality and costs. But even

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more important is this: What happens to America? Where do we go from here?

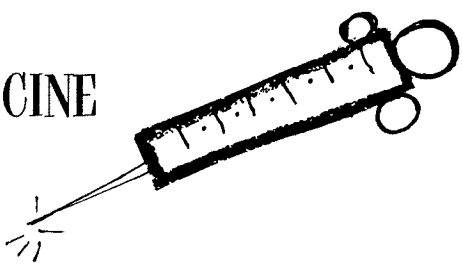
Freedom or Force?

At stake is the role of the individual in America. Is he willing, as the Founding Fathers envisaged, to accept some responsibility for his own future and that of his family? Is he willing to take the initiative to solve his own problems and join with others in solving those of mutual concern? Or will he pass the buck to the impersonal forces of government?

Will he work to improve present medical, business, and government practices? Or will he scrap them all and substitute a system which submerges his own identity to the status of a number in a gigantic bureaucracy, in an impersonal, faceless society of conformists?

The physical, economic, and spiritual health of America, perhaps even of the world, depends upon the answer to this question.

SOCIALIZED MEDICINE



DAN SMOOT

IN 1884, Prince Otto von Bismarck, Chancellor of Germany, instituted the first modern program of socialized medicine. It was called compulsory national health insurance.

Bismarck hated communism. His motive in introducing socialized medicine in Germany was to buy the loyalty of the German masses as a means of keeping them from becoming communists. Bismarck adopted "nationalistic socialism to end international socialism" – to use his own words. To use other words: Bismarck was the first leader of a great nation to fight communism by adopting communism.

The German citizens paid more for their national compulsory health insurance than they had paid for private insurance before Bismarck came along – and they got less in return.

Bismarck's scheme failed miserably to provide better medical care for the people of Germany; but it

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did become an important feature of the German militaristic state; it helped pave the way for Hitler a generation later; and it furnished a pattern with which practically every other nation in the West – including America – has experimented.

British Experience

England first started experimenting with socialized medicine in 1911. The experiments were a failure, as they always have been everywhere.

But government never retrenches. When government seizes power and money from the people in order to promote their welfare and then makes matters worse for them, government always argues that it didn't have enough power and money to do enough promoting.

In England, for example, when Lloyd George's rather moderate experiment in the Bismarckian type of national health insurance was abandoned, the nation went all the way into communized medicine.

The National Health Program which became the law of England in July 1948 is modeled on the Soviet system created by Lenin.

In less than two years, there were more than a half a million people on the waiting lists for hospitalization, while some forty thousand hospital beds were out of service because of a nurse shortage. The hospital shortage in Britain has become so acute that many mentally deficient and helpless, aged people are unable to secure institutional care. The only effective means of easing the shortage is to deny hospital admission to the old and chronically ill who cannot be discharged once they are admitted.

In industrial centers, some British doctors have as many as 4,000 registered patients each. Such doctors can give each patient only three minutes per call – three minutes over-all, for consultation, diagnosis, prescription, filling out official forms, and maintaining proper records for governmental inspectors.

Twelve per cent of all British taxes go into the national health program. Thus the wretchedly inadequate "free" medical services in Britain actually cost the average Englishman considerably more than an American pays for the most expensive private health insurance and hospitalization plan.

Over and above what the British themselves have put into socialized medicine, one must consider also the billions of dollars which America has pumped into the British economy as loans and outright gifts. And still the thing is a failure. Why?

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Whenever government enters a field of private activity, that field becomes a political battleground. Whenever you mix politics with medicine, doctoring becomes a political instead of a medical activity.

"Something for Nothing"

But the primary reasons for the inevitable failure of socialized medicine can be found in the patients themselves. When people are forced to pay for something, whether they want it or not, they are inclined to use as much of it as they can in an effort to get their money's worth.

There are endless stories about Englishmen who trade their government-issued eyeglasses, wigs, and even false teeth, for beer. There are housewives who trade government-issued medicine for perfume and cigarettes. And there are some who pick up extra money by selling the gold fillings out of their teeth – getting them replaced by government dentists and then selling them again.

Malingerers are people who pretend to be sick in order to get sick-pay, social security benefits, free hospitalization, or a rest at government expense. Hypochondriacs are people who think they are sick, but aren't. There are countless thousands of such people. No system has ever been devised for definitely identifying them, for weeding out the unnecessary or unreasonable or dishonest demands made upon the medical care services – no system, that is, except the one existing in a free society where a person must pay his own doctor bill or is controlled by provisions of an insurance policy which he himself has bought.

No compulsory health insurance program has found a means to discourage racketeers or petty complainers who make useless trips to the doctor and monopolize professional time that should be spent on people really needing care.

EDITOR'S NOTE: *The Dan Smoot Report* is an 8-page magazine edited and published weekly by Dan Smoot, P. O. Box 9611, Lakewood Station, Dallas 14, Texas, $10.00 a year. Mr. Smoot, a former FBI agent and later the radio and television commentator for *Facts Forum*, has been publishing his own *Report* since 1955, "using fundamental American principles as a yardstick for measuring all important issues."

The above article is an excerpt from his issue of January 25, 1960, which also includes a history of the trend toward socialized medicine in America, a discussion of the Forand Bill, and a review of the sorry results of the medical plan under the compulsory "welfare program" of the United Mine Workers. Single copies of that issue may be obtained directly from Mr. Smoot or from THE FREEMAN for 25¢.

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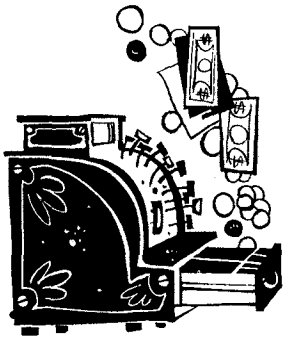

PAUL L. POIROT

the HIGH COST of COERCION

FOREIGN cars, cameras, tools, steel, and other products are growing in favor with the American consumer. An Italian-based firm recently bought control of one of the oldest typewriter companies in the United States. A parallel trend is found in rising investment of American capital abroad.

Concern about rising imports of goods and the flight of gold and savings from the United States prompts inquiry into the causes and possible correctives for this shifting pattern of trade. As producers, why are we finding it increasingly difficult to compete for customers in the world market? Why are our exports of consumer products and services giving way more and more to exports of capital goods — to American investments in foreign plants and production facilities? Are we comparatively overcapitalized — too many tools and facilities per laborer — in the United States? Are we in America, as consumers, getting a bargain from this new pattern of international trade; or is the trend detrimental to our interests?

Current concern about international trade brings to mind the appeals, so widespread in the depth of the "Great Depression" a generation ago, to shop at home — patronize local merchants. The argument was that shopping in chain stores or through mail-order houses, or otherwise spending money outside the community, would aggravate the conditions of local unemployment, slackness of business activity, and hard times generally. There is a fallacy in this "buy-locally" cure for depression: it is not possible to spend oneself rich. True, the local merchant would like to sell more goods at *his* price, the local laborer would like to sell his services at *his* price, the farmer would like to sell all he can produce at *his* price, and so it goes as far as all sellers are concerned.

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But man does not live by selling alone. The other side of every sale is a purchase. Selling one thing involves buying another – even if the thing bought is "only money." The customer is "the forgotten man" in the "buy-locally" argument. For if the consumer says that local prices are too high – whether for merchandise or the services of a laborer or whatever – the result is "No Sale!"

The Customer Holds the Key

The upshot of all this is that nobody in a community gains, either as buyer or as seller, when there is no sale. And contrary to the implications of the buy-locally argument, the community gains, rather than loses, if a customer can find what he wants at a price he's willing to pay, even though he has to go outside the community to find such a bargain. What did the community gain? Just what that customer gained in satisfaction from his trade – and the community lost nothing in the process. At least one person in the community made a sale and a purchase – traded something he wanted less for something else he wanted more. If he could have bought the same thing at the same price locally, no doubt he would have done so. Those who want customers to buy locally need only see to it that their asking prices are right – for customers are motivated by bargains.

Just as the customer is the key to community trade, so must the interests of consumers be considered in matters of international trade. But let's further analyze some important aspects of trade at the local level before introducing international complications.

Jones of Jonesville

In Jonesville, let us say, Mr. Jones has found he can serve his interests very nicely by inventing and operating a machine that turns out nails which he can trade to others in the community for anything he needs. Indeed, so pleased are the others that they reward Jones handsomely in trade until he has more than enough for his immediate requirements; he has savings.

As his savings accumulate, Jones risks them in part to improve his machine until it will turn out twice as many nails as before in a given time; and his savings grow. Then he begins casting about for other investment opportunities. He sees that others in the community also have been acquiring savings and tools and skills to improve their output. But it appears that his savings are largest, so he concludes that another nail-making machine might be the best investment opportunity at the time – if he can hire an operator at a reasonable

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wage. Upon checking, he discovers that the most likely candidate for the new job is a young man who has not yet accumulated any tools but who has the intelligence and ability and desire to operate the new machine for Jones. They agree upon a wage rate that is higher than the young man could earn elsewhere, yet lower than Jones would have to pay any other workman of comparable ability.

Though nail prices decline as Jones expands his output, he continues to profit because he knows how to cut production costs with new and better machines and hired help. He also is able to expand his sales territory as his costs – and prices – decline. In other words, the market area is enlarged, trade increases – to the advantage of everyone concerned. This would be true, even were Jones to bring in new workmen from the fringes of the market area, workmen willing and eager to work at wages that might not attract others in the community.

If the Wage Is Earned

At first thought, it might seem that bringing in cheap outside labor would lower the level of wages in the community to the injury of native workmen. Actually, it does not, *if* the new workmen earn their wages through production. In that case, they contribute to the community at least as much as – and generally more than – they draw from it.

A common argument is that a community has only a limited supply of capital or tools; and if these tools are spread thinner among more workmen, the average productivity must decline. But in a free market, it may happen otherwise. When labor is available at reasonable wages, then capital and tools are attracted. They come forth out of idleness; they are diverted from consumer uses; they may come from outside the community as did the extra supply of labor. In other words, the supply of capital is flexible, too. And so is the supply of managerial talent. If labor is available, some of the laborers themselves will become employers, start new businesses, and thus move up the industrial ladder. So, an increased labor supply means increased production and lower prices for goods and services, and each wage dollar has increased purchasing power.

Furthermore, Jones cannot arbitrarily set wage rates. Other employers in the community – or potential employers – also want hired help and will bid against Jones to keep the going wage rate high enough to clear the market. This means that everyone who wants to be employed, instead of working for himself, can find a job.

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Also to be considered is that Jones, or anyone else with savings or capital, would be under strong temptation to invest some of the savings in new plants and new tools in any area that offers sales opportunities and a supply of available workmen. Thus it is that capital moves from one location to another, as do workmen, within any market area, tending to spread and equalize job opportunities, wage rates, industrial development, cultural advances, and a rising level of living. Nor does this process of competitive growth and trade improperly exploit or injure anyone — unless he had expected to get something for nothing. It assures everyone not only all he can earn but also the best possible opportunity to earn it — whether his goal be material goods, services, cultural opportunities, self-improvement, or just plain leisure.

Now, suppose that Jones had been fully satisfied with his first nail machine and had decided to let it support him for the rest of his life. In that case, he might have imagined that the Jonesville market was his exclusively — that he had a right to all the money that community could afford to pay for nails. Then he might urge the Community Council to forbid any other nail manufacturing in the area and any importation of nails. He would argue for such a nail monopoly on grounds that competition would injure him; and if he were injured, the rest of Jonesville would suffer accordingly!

By that same rationalization, other producers in Jonesville could argue for protection against competition, and organized workmen could protest against any importation of "cheap foreign labor."

Some Consequences of Intervention

At this point, there is no need for further speculation as to what might happen in some hypothetical Jonesville. We need only look about us to see that these very things have happened and are happening every day. One after another, special interest groups have turned to government for some "fair advantage" over competitors, both domestic and foreign.

Farm prices have been propped up to the disadvantage of domestic consumers; exports are subsidized; acreage or marketing quotas have been invoked to keep down potential competition in agricultural production.

Labor unions have sought and obtained legislation that, in effect, grants them monopoly powers and exempts them from common law prosecution for acts of violence, coercion, assault, and intimidation.

Manufacturers and various producer groups, often with active support from organized labor, seek

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and obtain tariffs and other protective measures against competition from "cheap foreign labor."

Publishers, advertisers, shippers, and other groups get postal subsidies.

Teachers, preachers, and various proponents of "worthy causes" expect tax exemption, federal aid, and other special privileges.

Promoters demand subsidized credit and artificially low rates of interest.

There appears to be no end to the possible combinations of special interests seeking something for nothing at the other fellow's expense. All of these developments, it must be noted, are departures from the method of voluntary cooperation and exchange in the open market. There are no willing buyers of nothing-for-something, which means that coercion or a reasonable facsimile must be invoked to get something-for-nothing. And organized coercion tends to gravitate toward and congeal in the hands of government. The powerful and burdensome bureaucracy that now demands a third of the productive efforts of the American citizenry is but a reflection of our departure from voluntary competitive enterprise and a measure of the force that is required to push or drag individuals into unattractive projects. Much of the government spending is in the name of national defense, which becomes a growing problem as multiple pressure groups seek protection against possible competition. This is what always happens when government intervenes, first to establish a monopoly power, and then to defend the monopolist.

Multiplying the Problems

We in America, if we persist with the prevailing pattern of coercive practices and departure from open competition in our domestic affairs, have no right to expect anything but trouble in our international relationships. It is possible to get some production by compulsory devices – if the compulsion is not absolute; slavery "works" after a fashion. But it is tremendously inefficient and wasteful of natural resources, not the least of which is the unimaginable ingenuity and creativity of which individuals are capable if only they could be free to pursue peacefully their own interests with their own property. Burdensome taxation, culminating in runaway inflation, is the inevitable consequence of shunning competition and turning to coercion as a way of life. And this tax burden, otherwise manifested as an international flight from the U.S. dollar, is precisely why American goods and services are meeting increased customer resistance in the markets of the

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world: coercion makes for costly production and distribution.

Let no one suppose this to be a trifling fact of merely academic concern. Serious enough is the threat to the soundness of the dollar and the credit of the U.S. government. But even that should not be our major object of concern. The terrible seriousness of the situation is hidden behind Khrushchev's boast that "we will bury you," which American business and professional and political leaders are interpreting to mean that we are now "at economic war with Russia." Now, the reason why this is serious is not because Khrushchev has challenged capitalism to compete in the markets of the world. Such competition is the bread and butter of capitalism, the reason for its being, its very life. No, the seriousness lies in the fact that supposedly stanch defenders of competitive private enterprise are now using the term *economic war* to describe a competitive situation. This is the new terminology of the coercive way of life, designed by and for those who do not choose to take their chances in open competition. And if this defection from capitalism means that we are going to try to beat Khrushchev and company at their own game with their choice of weapons – that we, too, are bound to rely upon coercion and government controls – then we are indeed at war, not against Russia, but with Russia, against the ideals and practices of freedom that once guided American affairs at home and abroad.

SUCCESS WITHOUT SUBSIDY

GEORGE WINDER

IN A WORLD in which many people think controls and subsidies are necessary to preserve a prosperous agriculture, forty-three-year-old Antony Fisher is an outstanding example of a farmer who can succeed without them.

Fisher chose to be a large-scale chicken producer because this was one of the few branches of farming in Great Britain not subsidized by the government. "Sub-

From the November-December 1959 issue of the London journal, *Freedom*.

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sidies are humiliating and create more evils than they cure," he says.

He has certainly proved that they are unnecessary, for within the last six years he has created a chicken producing business which is probably the largest of its kind in Europe.

After the war, he settled down with his family on his four-hundred-acre mixed farm near Framfield in Sussex. In 1952, disaster came in the form of foot and mouth disease, which meant that his herd of Friesian cows had to be destroyed.

This caused him to look around for some way of increasing his turnover. He found what he wanted when he visited America to lecture on the evils of State Economic Planning.

On a broiler farm near Cornell University, he saw 15,000 birds in one house and at once realized that there was a very great opening for similar large-scale production in Great Britain.

After studying American designs, Fisher established a modern plant on the conveyor belt system which, with 200 employees, plucks and processes, ready for the oven, over 20,000 birds a day. This year he will reach an output of 30,000 birds a day.

This modern system of production used by Fisher has reduced the price of chicken in the shops by about 30 per cent in five years. Prices are expected to fall steadily. They have thus made possible the famous ambition of Henry of Navarre (Henry IV of France) that "every good fellow should have his chicken in the pot on Sundays."

It was Fisher's firm belief in free enterprise which induced him to prefer the production of chickens to that of any planned or subsidized branch of agriculture. His success has confirmed and strengthened that belief. He considers that if people would only study the technique of the classic economists, they would realize that the acceptance of the principles of free enterprise are essential for a nation which wishes to attain both freedom and prosperity. ◆

IDEAS ON LIBERTY

The Function of Government

THE OFFICE of government is not to confer happiness, but to give men opportunity to work out happiness for themselves.

WILLIAM ELLERY CHANNING

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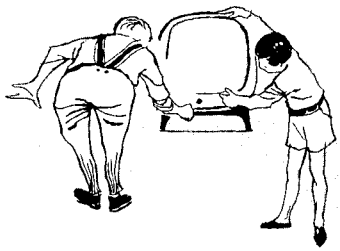

MIDDLE-INCOME HOUSING

or—RENT COLLECTION IN THE AFFLUENT SOCIETY

It was a foggy afternoon
At story-telling time.
Old Kaspar puffed his last cigar
And wished for rum-and-lime,
While Peterkin and Wilhelmine
Looked at the television screen.

They saw a crowded city street,
Where men with clubs and sacks
Were rounding up the passers-by
And sorting them in packs;
While others sprang like beasts of prey
On folks who tried to run away.

"Now tell us what it's all about!"
The little children cried.
"It is the Federal Housing Plan,"
Old Kaspar soon replied.
"It helps to pay the soaring rent,
And keeps the building trades content."

"The cost of housing," Kaspar said,
"Has risen far too high
For middle-income folks to pay,
No matter how they try.
So now we give them Federal Aid
To cover rents they haven't paid."

"When tax collectors find a bunch
Of middle-income folks
They search them all for hidden cash
And empty all their pokes.
That's how we get the cash, you see,
To pay the Housing Subsidy."

"But what's the use of getting Aid
And paying for it, too?"
"There are some answers," Kaspar sighed,
"I never really knew.
But Planners set the greatest store
By schemes that make the taxes soar."

H. P. B. JENKINS
Economist at Fayetteville, Arkansas

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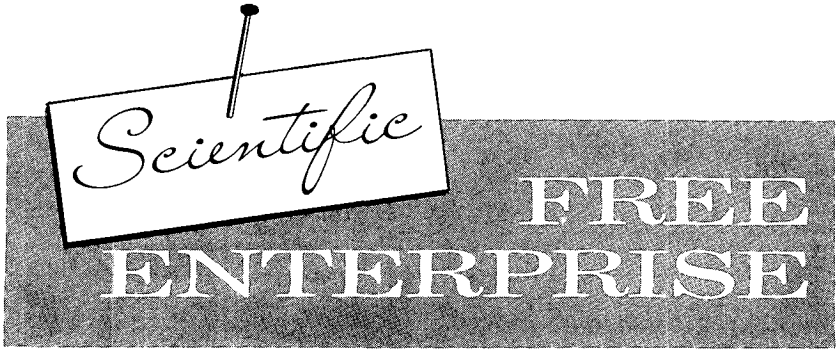

EDWARD P. COLESON

A LOT of so-called liberals have talked about "scientific socialism" so long now that the world has well-nigh fallen for the delusion that socialism is, indeed, scientific. While certainly a number of scientists, engineers, and technicians have had a distressing affinity for socialist and communist causes along with a number of other shortcomings and vices which they share with the general population, it simply is not true that pure science as such has a pro-collectivist bias. In fact, when it seemed that everyone else was going "liberal" back in the New Deal days, it was the insights of science coupled with an elementary course in economics which helped to hold the writer steady when the issues were not clear or well understood. Some things simply could *not* be true by the very nature of the world even if everyone approved, and I found myself a lonesome minority of one. At least this has saved me the embarrassment that many a well-meaning individual has experienced who must now make his painful way back from a bankrupt utopia, like the Prodigal Son returning from the swine pen of the Far Country.

Dr. Coleson is Professor of Economics at Taylor University, Upland, Indiana.

Economic Perpetual Motion

Actually, New Dealism, the bright hope of multiplied millions of Americans in the 1930's, had a strangely familiar ring to one brought up on science and mathematics. We used to have that trouble in engineering, too. A number of craftsmen, long on mechanical skill but short on theory, have wasted their lives trying to rig ingenious machines that would achieve perpetual motion, or simply, something for nothing.

Although there are doubtless as

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many schemes as individuals, the following example may suffice to illustrate what is meant. Having grown weary of buying gas for the family car, we invent an electric automobile. It is all very simple. We mount a generator and a motor side by side with each running the other as in Figure 1. We assume, of course, that there will be a considerable "unearned increment" of energy that can be used to drive the automobile down the road. We need a push to get it started, but then the "multiplier" takes over, and we have an abundance of power – and all for nothing – until we put on the brakes at the end of the way. It is a very good scheme, except it won't work. The motor and generator might be coaxed to very nearly run each other but, since there is friction, a little outside power would need to be added to keep them both going. If any *work* is demanded of the combination, there must be an additional input of electricity commensurate with the task to be performed.

Our Persistent Politicians

Most everyone in the sciences quit looking for something for nothing quite a while ago, but the politicians are still at it in full force with no indications even yet that they sense even vaguely that the whole business is impossible. Our whole Operation Bootstraps

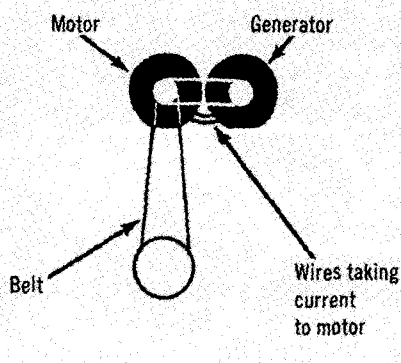

Figure 1. PERPETUAL MOTION ELECTRIC AUTOMOBILE. The motor runs the generator and back wheel of the car. The generator produces current to keep the motor running.

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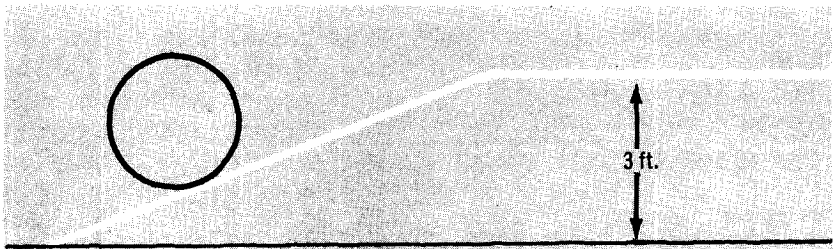

Figure 2. **THE IRREDUCIBLE MINIMUM.** The least amount of work, assuming 100 per cent efficiency, will be the same, no matter how we do the job. Frictional losses may make it several times this necessary figure.

by which we tried to lift ourselves out of the Great Depression under the New Deal reeked with perpetual motionism, as did certain popular private schemes as the chain letter craze and the Townsend Plan. They never worked and business stagnated all during the 1930's. Having learned nothing and forgotten nothing in the intervening years, we are still trying those same outworn schemes. We have a principle in science, which is used to discourage such hopeless endeavor, called the Law of Conservation of Mass and Energy. In plain English, it says you can't get something for nothing.

Frictional Losses Lead to Poverty

Now there are better and worse ways of doing things. Suppose we want to lift a 450-pound barrel up and set it on a shipping dock three feet high as illustrated in Figure 2. It will require a minimum of 3 x 450 or 1,350 foot pounds of work to lift it up there. Given the size of the task, nothing on earth can reduce the figure below 1,350 foot pounds. Since we can't lift 450 pounds directly, we may whittle the task down to size by pushing it up the ramp. In this case we exert a lesser force over a longer distance, but nothing will reduce the minimum figure. If we use a jack screw, an electric hoist, or a stick of dynamite, the force required is the same. If we ladle the contents up with a teaspoon into another container and lift the empty barrel up later, we have gotten out of nothing. Indeed, we most certainly have wasted a considerable amount of additional effort to no purpose.

The engineer of today has long since given up trying to get something for nothing: he is earnestly striving to get as close to 100 per cent efficiency as possible – the ir-

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reducible minimum of effort necessary to perform the task. Frictional losses are still high; a steam engine wastes 80 to 85 per cent of its power input, and an automobile as much as 75 per cent. Diesels do somewhat better and, recently, reaction engines (rockets or jets) have been developed which are very nearly as efficient as our older engines were wasteful. Still we aren't getting something for nothing. Indeed, we are only beginning to get our money's worth.

To Discipline the Mind

All of these calculations may seem irrelevant and uninteresting to the person not trained in science and mathematics. However, these rigorous disciplines do something to one's mind. It simply is not possible to tell many of us that the government can give without first taking. It is sheer rubbish that there are all sorts of colossal tasks — education, roads, housing, care of the poor and aged, besides subsidizing every group you can think of — jobs that the states simply cannot do but which Uncle Sam can easily handle. Nor can you tell us that inefficiency adds up to prosperity. John Maynard Keynes might convince well-nigh the whole world that pyramid building made ancient Egypt prosperous and two were twice as good as one, but make-work schemes are frictional losses, and reduce the standard of living.

A person who spends his life trying to invent and devise more efficient ways of doing the world's work in industry, or striving to produce enough food on the farm to at least meet mankind's minimum needs, necessarily bitterly resents deliberate efforts in the opposite direction, disguised to confuse the issue in the public mind. We are rapidly coming to the state described by Thomas Jefferson a century and a half ago:

> If we run into such debts, as that we must be taxed in our meat and in our drink, in our necessaries and our comforts, in our labors and our amusements . . . as the people of England are, our people, like them, must come to labor sixteen hours in the twenty-four, give the earnings of fifteen of these to the government for their debts and daily expenses; and the sixteenth being insufficient to afford us bread, we must . . . be glad to obtain subsistence by hiring ourselves (to the government) to rivet their chains on the necks of our fellow-sufferers.

To several million American farmers who can scarcely make a go of it when they work eight hours a day in a shop in town and as many or more on the land, Jefferson's words will seem ominously prophetic.

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The Logic of Laissez Faire

The old laissez-faire[1] doctrine of a self-regulating economy managed by the "invisible hand" is remarkably like the science of ecology, which insists that Nature balances the budget, gives everyone his due, and keeps the myriad forms of life in check as long as man does not upset the natural scheme of things. The disastrous results of human interference are well known, as for example, the story of how the timid rabbit well-nigh took over the continent of Australia because of a lack of "checks and balances."

Professor Pavlov, the noted Russian physiologist, also found in the workings of the body examples of how artificial inhibitions wrought havoc. These he compared with the paralysis produced by the communist system of national planning. He should have known.

Of course, it can be argued that such analogies drawn from mathematics, mechanics, and biology do not *prove* that the free system is appropriate in economics and that the fantastic schemes of the national planners lead only to misery and ruin. But as Winston Smith says in Orwell's *1984:* "If two and two are four, the rest follows." ◆

[1] Laissez faire is here used, not in the sense of doing as one wills regardless of how that might infringe upon the rights of others, but in the classical sense of freedom to produce, exchange, travel, and the like according to one's own interest within the bounds of due respect for the lives and property of others.

IDEAS ON LIBERTY

Criticism Founded on Fact

OUR WORD "education" is a misnomer. We are not educating; we are domesticating. To educate is to develop latent capabilities so that one may be strong to overcome the hampering obstacles of prejudice and environment in reaching out for truth. To domesticate is to train one to accept the prejudices, and to obey the conventions, of his environment. To educate is to develop free activity. To domesticate is to train to a prescribed end for a prescribed purpose. The domesticated animal, whether a biped or a quadruped, believes what he is made to believe, and does what he is made to do. The educated being believes what appeals to his reason, and thinks for himself. To educate is to teach people how to think; to domesticate is to teach people what to think. The processes of domestication, toward which we are drifting, make for small, narrow, and prejudiced minds.

THOMAS S. CLARKE, from a Symposium in *The Rotarian.*

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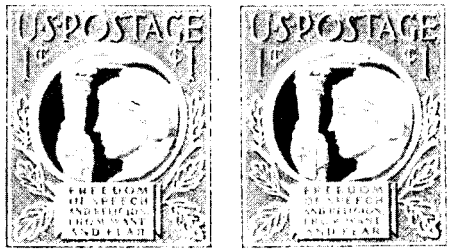
THE TRICKY FOUR FREEDOMS



FREDERICK A. MANCHESTER

LOGIC, it has been said, not without point, is horse sense made asinine. Certain it is that many a man who never heard of it has done handsomely without it. Nevertheless it sometimes has its uses, and since any success achieved in the discussion to follow must depend above all on sound reasoning, I suggest that we pay a brief visit to a man who was both a writer on logic and on other grounds an outstanding thinker.

It happens that John Stuart Mill, the authority to whom I refer, has considered the subject of liberty at length, as everyone knows, and has arrived at very definite conclusions regarding its nature. We shall learn from him what these conclusions, in their essence, are. In his society, moreover, we can flex our intellectual muscles, and at the same time obtain from him criteria that will prove of value in our special undertaking. In examining his ideas it is well to bear in mind that they are (he tells us) "anything but new," and that they were formulated a century ago, in a quieter time than ours—or so it seems—generations before the present whirlwinds of glib opinion had come to trouble and confuse us.

The "appropriate region of human liberty," says Mill, comprises, first, "liberty of thought," including "the cognate liberty of speaking and of writing"; second, "liberty of tastes and pursuits"; third, "liberty . . . of combination among individuals"—freedom, that is, "to unite, for any purpose not involving harm to others, the persons combining being supposed to be of full age, and not forced or deceived." "No society," he continues, "in which these liberties are not, on the whole, respected,

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is free, whatever may be the form of government; and none is completely free in which they do not exist absolute and unqualified. The only freedom which deserves the name is that of pursuing our own good in our own way, so long as we do not attempt to deprive others of theirs, or impede their efforts to obtain it."[1]

To one eminent philosopher, then, the three freedoms differentiated, neither more nor fewer, are the great, the indispensable, human freedoms, and as such, one is safe in adding, constitute basic political objectives which he thinks proper to all mankind. What are the characteristics, one is curious to inquire, that distinguish them?

Fundamental Characteristics

Each of the three freedoms – and this is their first and most fundamental characteristic – represents the absence of restraint in relation to a particular activity. *It is a freedom to do something.* In one case it is a freedom to think as one chooses; in another to like or dislike, and to select one's course in life, as one chooses; in another to unite with one's fellows as one chooses. Always, in one direction or another, it is an exhilarating state of unshackledness, of freedom to go about, unhampered, the fulfillment of one's desires.

[1] *On Liberty*, introductory chapter.

Each, again, is essentially an immaterial benefit, involving, as it does, the human dignity and moral independence of the individual, together with his inner peace and satisfaction. The first of them frees the workings of his mind, the second his tastes and pursuits, the third his choice of affiliations.

Each, again, is a benefit that the individual is incapable of achieving by his own exertions, that is his only through an act, implied or actual, of the society in which he lives – an act, moreover, which it is easily within the power of any society, at any time, to give. It is society only which can inhibit his freedom of thought (including worship), his freedom of tastes and pursuits, including, necessarily, the ownership and control of property, and his freedom of entering into groups with others; consequently it is society only which in all these respects can leave him free.

And each, finally, is a benefit which, when granted, costs the individual's fellow citizens nothing. It requires only that in the respects in question they keep their hands off, let him alone, leave him to his own devices.

Mill's essential human freedoms, then, are three – of thought, of taste, and of affiliation; and, let us fix firmly in mind, they have in common four characteristics: they

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are liberty to do something, they are of profound importance to the well-being of the inner man, they are benefits which an individual cannot by any act of his own confer upon himself, and they are benefits which, when conferred by society, cost it nothing whatsoever.

Message to Congress

Opinions differ, even as to essential human freedoms. On January 6, 1941, an American President, in the course of an address to Congress, began a memorable passage thus:

> *In the future days, which we seek to make secure, we look forward to a world founded upon four essential human freedoms.*

The exordium probably caused no general thrill of expectation, either in the auditorium proper or in the galleries. After all, freedoms are with us Americans an old, old story. The President went on:

> *The first is freedom of speech and expression—everywhere in the world.*

Nothing here either to set the blood spinning, though perhaps on left or right a pre-Progressive pedagogue turned Congressman may have muttered to himself, "'Speech *and* expression': is speech, then, no longer expression?" Or perhaps some not-yet-subdued isolationist may have gasped at the reckless terminal flourish. "'Everywhere in the world,' did he say? A big order! A big order indeed!"

The voice from the rostrum continued:

> *The second is freedom of every person to worship God in his own way—everywhere in the world.*

If any auditor had previously taken to the edge of his chair in the hope of novelty, he was ready by now to slide back to somnolence. Freedom of speech, freedom of worship: both were etched deep in the mind of half a continent. Both had been included a century ago in Mill's first freedom. Both were assured us all by the very first amendment to our once-reverenced Constitution. Freedom "to worship God in his own way" had been the cry that made many a colonist brave the dangers of the sea, the unknown perils of the New England forest, and the specter of possible starvation. Both freedoms were freedoms close to men's hearts; the second, at least, many a man had been ready to suffer for, to fight for, and, if need were, to die for. But listen:

> *The third is freedom from want . . .*

Then it was, on the instant,

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while the speaker read on unheard, that extraordinary things began to happen. Men stared at each other astonished, incredulous. What was this? What was this? Could they have heard correctly? How could freedom from *want* get admittance to this sacrosanct fellowship? One man, a former diplomat, shouted in bad French, "What the devil's *that* doing in *this* galley?" A murmur of shocked disagreement arose in a remote corner of the chamber, spread rapidly in all directions, and grew momently louder and more resentful. Finally, a dozen of the more agitated got straight up on their feet and exclaimed "No, no!" . . .

And now I too must exclaim "No, no!" No: things did *not* happen as I have described them — or, if they did, the news never reached me. Yet I cannot but wish that something of the sort *had* happened, contrary as it would have been to our traditional manners (I have gathered that abroad audiences are sometimes more publicly demonstrative: if that is the case, may it not be, in part at least, because they take ideas more seriously?) — and if it had happened I could now offer for the unprecedented reaction two very definite reasons.

The first is that when the speaker proceeded to add his third essential freedom to his first and second he made a logical jump so enormous as probably to be unprecedented in the annals of responsible statesmanship, and to constitute, however void of injurious intent, an affront to the intelligence of everyone within hearing — a logical jump which, by analogy, would make a nonstop leap from the pinnacle of the Empire State Building to the pinnacle of the Eiffel Tower seem the merest bagatelle. One's sense for logic is pained by its extravagance, instinctively, before analysis has had time to begin. But let analysis once have its turn, and President Franklin D. Roosevelt's third freedom is seen clearly for what it is.[2]

It does not possess a single one of the four characteristics which Mill's three freedoms have in common. It is not a freedom *to do* anything: on the contrary, as it might in practice often work out, it is rather a freedom *not* to do anything. Again, it is not of profound importance to the well-being of the inner man: its enjoyment guarantees no such well-being, and such well-being is quite possible in its absence — as the history of saints

[2]The shift in phrasing from "of" to "from" is in itself a kind of warning—though it must be admitted that so flexible and resourceful is our marvelous language that even a legitimate freedom *might*, however awkwardly, employ the same introductory word, as, for example, in the case of Mill's first freedom, "freedom *from* control of thought."

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unquestionably proves. St. Francis of Assisi, probably one of the most inwardly happy men who ever lived, made Lady Poverty, not Lady Bountiful, his bride. Again, instead of being a good which man cannot secure by his own exertions, it is normally by his own exertions that he secures it; while at the same time it is a good which society may or may not be able to confer upon him, since the sources in nature of man's necessities are not inexhaustible, and such as they are they are only partially under his control. And, finally, instead of being a good which costs society nothing whatsoever, its possession, if it is to be constantly and universally obtained, must often in greater or less degree be at society's expense. Clearly there is nothing important in common between the strange intruder "freedom from want" and the three essential freedoms of John Stuart Mill – and Mill's freedoms, it is time to assert, are by no means personal or peculiar to their formulator, but on the contrary are substantially identical with the freedoms that freedom-loving men everywhere have always struggled to attain. Indeed, what others are there?

"Freedom from want," then, is not properly a political freedom at all. That is one fact that would forever justify its sharp exclusion from the august company into which it was so illogically and so arbitrarily thrust. But there is a second reason why such exclusion is of the greatest practical importance.

Which is that this miscalled freedom, once accepted as of the same order as the immemorial freedoms, contains within itself the potentiality of incalculable evil. It is as rights that we think of the other, genuine freedoms; freedom of speech, freedom of worship, are guaranteed in our Constitution as a part of what we call our bill of – *rights*. They are things we regard as our inalienable possessions. Whatever they may have cost our ancestors to obtain, they cost us nothing. They are already ours. Suppose now that in a nation where universal suffrage prevails a distinct majority should become firmly convinced that the good news is indeed true, that freedom from want – a concept subject to easy abuse – is a freedom like freedom of speech and freedom of worship, and, independently of any great effort on their part, a vested right: what then? Would not their first step be to demand that their enjoyment of that right be realized in fact?[3] And to whom or what would they address that de-

[3] Cf. Felix Morley, *Freedom and Federalism* (Chicago, Henry Regnery Company, 1959), pp. 135f.

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mand but to their government, and how is that government to obtain the means to satisfy it, in so far as it can satisfy it at all, save by taxing, and ever more taxing, all those who might be able, for a time at least, to pay whatever sum was levied? Down such a vista, obviously, lies confiscation almost without limit.

Surely such a possible development was latent in "freedom from want." Apropos of it there is much more to be said – but that must wait, for already we have too long left President Roosevelt suspended in the midst of his speech. Let us now hear the whole of the interrupted sentence, and along with it the proclamation of the fourth freedom:

> *The third is freedom from want – which, translated into world terms, means economic understandings which will secure to every nation a healthy peacetime life for its inhabitants – everywhere in the world.*
>
> *The fourth is freedom from fear – which, translated into world terms, means a world-wide reduction of armaments to such a point and in such a thorough fashion that no nation will be in a position to commit an act of physical aggression against any neighbor – anywhere in the world.*

Freedom from Fear

It will be noticed that the previously unquoted part of the first of the above sentences in no way alters the meaning of the expression "freedom from want." Was the corresponding part of the second sentence – "which, translated . . ." – intended to define and restrict the meaning of "freedom from fear"? For a good while I assumed that it was so intended, and considered that to interpret the phrase without reference to its context was to do injustice to Roosevelt's good sense. I am now in doubt – or rather, I am sufficiently convinced that "freedom from fear," probably never subjected by its author to careful scrutiny or analysis, is just as much to be taken by itself as is "freedom from want." Undoubtedly it has been so taken, and indeed that is probably how it has been generally understood – "everywhere in the world."[4]

But, so taken, so understood, what rational meaning can be attached to it? Freedom from *fear*? How is such a thing conceivable, in a world where the everyday greeting "How are you?" betrays

[4] Even if the intention was to restrict freedom from fear to mean freedom from the fear of international aggression, the restriction would scarcely reach the popular mind and imagination. Only the concise, compact formula would be likely to go far, and, in that, fear is flatly coordinated with want.

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a long-established conviction of uncertainty and peril; where the objects of fear, physical and mental, are infinite in number and infinite in kind, darkening all the long trail from yawning earthquakes and fierce lady-hurricanes (what misogynist ever thought up *that* one!), through flood, accident, disease – through frightful deeds of wicked men, and nameless horrors of disordered dreams – to the ultimate terrors of old age and death? And the fear of God, once inculcated as a thing pre-eminently to be fostered – are we to be freed from that, too?

Multiplication of Wants

It would be as tedious as unnecessary to show in detail that anything so hopelessly vague and uncircumscribed as freedom from fear, and so largely unrelated to the problems of government, cannot properly be considered a political freedom – let alone an essential freedom. As a matter of fact, apart perhaps from some association with freedom from want – with the meaning of freedom from fear of destitution – it has had, so far as I have learned, no significant history.

But not so, it seems, with freedom from want – to which I now return. For this, according to the useful study by Felix Morley already cited, has been, either alone or with the aid of freedom from fear, a potent influence.

An "Economic Bill of Rights" announced by President Roosevelt in his Message to Congress of January 11, 1944, was "squarely based" upon it. It was the "starting point" for highly significant elements in the Charter of the United Nations, ratified by the United States Senate on July 18, 1945. Its philosophy continued to operate in the United States, independently of the party in power, after President Roosevelt's death.[5]

The "Economic Bill of Rights" referred to deserves examination. "We have accepted, so to speak, a second Bill of Rights," declared the President, "under which a new basis of security and prosperity can be established for all – regardless of station, race or creed."[6] Among these, he said, are the following:

- *The right to a useful and remunerative job in the industries,*

[5]Morley, *op. cit.*, pp. 133-138. Strictly speaking, Morley attributes the influence specified, directly or indirectly, to the Four Freedoms, but my interpretation of his meaning, ignoring the two traditional freedoms and stressing freedom from want, is doubtless correct. Articles 55 and 56 of the Charter of the United Nations, partly quoted below, are quoted in full by Morley.

[6]The text of the preceding sentence, and of the "rights" that follow shortly, is that of *The Roosevelt Reader*, edited and with an introduction by Basil Rauch (New York, Rinehart & Co., Inc., 1957).

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or shops or farms or mines of the nation;

- *The right to earn enough to provide adequate food and clothing and recreation;*
- *The right of every farmer to raise and sell his products at a return which will give him and his family a decent living;*
- *The right of every business man, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad;*
- *The right of every family to a decent home;*
- *The right to adequate medical care and the opportunity to achieve and enjoy good health;*
- *The right to adequate protection from the economic fears of old age, sickness, accident and unemployment;*
- *The right to a good education.*

Rights?

Several comments suggest themselves. First, the list is characterized by the President as "so to speak, a second Bill of Rights" – as egregious a violation of sense and logic as was his formulation of the Four Freedoms. What, pray, have *rights* to do with the pleasant and gratuitous assurances with which it abounds? Second, it is annoyingly diffuse and repetitious, by no means the product of keen, clear, organizing thought. Third – and it is this which is definitely relevant to our immediate topic – they can obviously be summed up, with two exceptions, as the small change of the President's third freedom, assuming that "want" is understood in a generally charitable fashion. The two exceptions are the provision for "a good education" and the provision for recreation. I confess I should find it difficult to think of the absence of a good education (whatever that may be) as the presence, in any reasonable sense, of "want," and still more difficult to think of the absence of recreation – or shall we say freedom from boredom (it being surely no less a "freedom" than a "right") – in a similar manner.

The "Economic Bill of Rights" was designed, primarily at least, for America. It was "definitely the responsibility of the Congress," said President Roosevelt, "to explore the means" for its implementation. Article 55 of the United Nations charter proposed objectives for all the world in part highly similar to those of the "Economic Bill of Rights." The United Nations "shall promote: (a) higher standards of living, full employment, and conditions of economic and social progress and development; (b) solutions of international economic, social,

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health, and related problems; and international cultural and educational co-operation; and (c) universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language or religion." Article 56 pledges the members of the United Nations "to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55."

And now, in America, after President Roosevelt's death? "In farming," says Mr. Morley, "housing, health, education, road construction, old-age pensions and unemployment insurance, to mention only the more important services, centralized 'aid' . . . is now an established principle."[7]

The Formula Publicized

For some time after their announcement the Four Freedoms received considerable attention. Among entries in the *Readers' Guide to Periodical Literature* for the period July 1941 to April 1945 are the following (they will repay close scrutiny), some of which, judged by their titles, are obviously friendly and co-operative, none of them obviously the reverse – needless to say, I have not read them: "Cultivating the Four Freedoms," F. Kingdon, *Parents' Magazine* ("Children must learn their meaning and value at home"); "Four Freedoms for Which We Fight," with paintings by N. Rockwell, *Saturday Evening Post;* "Free World; Requirements for the Four Freedoms," S. Welles, *Vital Speeches;* "Toward the Four Freedoms," H. Kallen, *Saturday Review of Literature;* "United States Peace Aims: Summary of the Four Freedoms," *Catholic World;* "Contributions of English to the Four Freedoms," C. F. Stecher, *Education;* "Democracy and the Four Freedoms" ("panels painted by B. R. Woodworth for the children's room, Ohio University Library"); "Four Freedoms Are an Ideal," *Saturday Evening Post;* "What Does Freedom Mean? American Conception," N. M. Butler, *Vital Speeches;* "Education and the Two New Freedoms; Freedom from Want and Freedom from Fear," W. C. Bagley, *Education.*

The Four Freedoms, as evidenced above, have been the subject of at least two series of paintings. They were celebrated in a special United States postage stamp – and in this way promulgated, one may suppose, throughout the civilized world.

In the publicity accorded the Roosevelt formula was there no discordant note, no protest lodged against the travesty it represented

[7] Morley, *op. cit.*, p. 136.

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upon the immemorial freedoms? Not so far as I happen to know; and Felix Morley (quoted above), who has called the Four Freedoms "an inharmonious quartette" and a "monstrosity," and in so doing become the first person I have known to characterize them (as I think) properly, appears to have encountered little or nothing of the kind. Few if any "political scientists," he says, "have ever closely examined the monstrosity"; and one naturally infers that he has not found it closely examined by others.[8] Indeed, his remark appears to me to imply that logical analysis of the formula by other than professionals, say by mere average citizens, was something it had not occurred to him to expect.

However that may be, there was a time, if we are to believe James M. Beck, when such a logical "monstrosity" would have been likely to prove, by general condemnation – I adapt some terse phrasing of James Madison's – short in its life and violent in its death. In his book on the Constitution, published in 1924, Beck observes that a candidate for President – this was before 1900 – "defeated himself by the chance expression that 'the tariff was a local issue,' which covered him with ridicule and blasted his political hopes." "A generation ago," says the former Solicitor General of the United States, "men spoke rarely and only after the most careful deliberation, and their words were examined with microscopic nicety." But by Beck's day things had changed. "In recent years this meticulous attention to declarations of policies has largely passed away. Leaders of public thought have given utterance to beliefs and policies which would have damned any public man a generation ago."[9]

Thus matters stood, according to Beck, in 1924. In the seventeen-year interval between then and Roosevelt's announcement of his Four Freedoms, had the composite American mind become sharper, more alert, more impatient of intellectual monstrosities? It would seem not. Is it so today?

If it is not, if the Golden Age of American politics, when for a statesman to say an absurd thing would be to end his career, lies generations away, in an ever-receding past, two problems present themselves that are great in interest and greater still in importance: *What has happened to the American Mind?* and *What can be*

[8] *Ibid.*, p. 130.

[9] *The Constitution of the United States*, revised and with additional material by James Truslow Adams (Garden City, New York, Doubleday, Doran & Company, Inc., 1941), p. 243.

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done to restore it to its original state?

But all that is another story.

In order here is a final word regarding the Four Freedoms, or rather regarding the third freedom—freedom from want.

Lincoln vs. Roosevelt

I will begin by reporting a striking compliment to their inventor. In a fairly recent book called *Freedom: A New Analysis*, the author, Maurice Cranston, after quoting Abraham Lincoln, continues thus: "Another, no less thoughtful President, Franklin D. Roosevelt . . ." Let us stop there. Franklin D. Roosevelt as thoughtful a President as Abraham Lincoln? Extraordinary judgment! Suppose now we apply the test of political wisdom ready to hand. What Roosevelt thought of his offspring "freedom from want" we need not ask. What would Lincoln think? There would be no use thumbing through his collected works, or their indexes, in search of specific statements on the subject, since in his more primitive time the idea that freedom from want, however much to be desired, was either a "freedom" or a "right," had not yet been dreamed of. As a substitute I offer a letter which Lincoln wrote in December 1848 to his stepbrother John D. Johnston. Its substance, our main concern, I am happy to leave, unremarked on, to the reader: let him make his own inferences on the point in question, undisturbed. But perhaps I may be permitted to call his attention to what is scarcely separable from the substance of the letter—namely, its excellent style: simple, easy, direct, exact, orderly, and completely lucid. Salt of the earth, one reflects, that has not lost its savor. With almost no benefit of public schools, and none of federal scholarships, Lincoln had somehow managed (the Bible, Shakespeare, and Euclid by his side) to train his intellect—an achievement which does not require display in a great speech to make its presence felt. And now the letter—it is somewhat long, but I cannot bring myself to omit anything from it:[10]

Dear Johnston: Your request for eighty dollars I do not think it best to comply with now. At the various times when I have helped you a little, you have said to me, "We can get along very well now," but in a very short time I find you in the same difficulty again. Now this can only happen by some defect in your conduct. What that defect is, I think I know. You are not lazy, and still you are an idler.

[10]The text is that of the original manuscript, with some corrections in details of form. The changes made do not touch the essence of the style.

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I doubt whether since I saw you, you have done a good whole day's work, in any one day. You do not very much dislike to work; and still you do not work much, merely because it does not seem to you that you could get much for it. This habit of needlessly wasting time, is the whole difficulty; and it is vastly important to you, and still more so to your children, that you should break this habit. It is more important to them, because they have longer to live, and can keep out of an idle habit before they are in it, easier than they can get out after they are in.

You are now in need of some money; and what I propose is, that you shall go to work, "tooth and nails," for somebody who will give you money for it. Let father and your boys take charge of things at home -- prepare for a crop, and make the crop; and you go to work for the best money wages, or in discharge of any debt you owe, that you can get. And to secure you a fair reward for your labor, I now promise you that for every dollar you will, between this and the first of next May, get for your own labor, either in money, or on your own indebtedness, I will then give you one other dollar. By this, if you hire yourself at ten dollars a month, from me you will get ten more, making twenty dollars a month for your work. In this, I do not mean you shall go off to St. Louis, or the lead mines, or the gold mines in California, but I [mean for you to go at it for the best wages you] can get close to home in Coles County. Now if you will do this, you will be soon out of debt, and what is better, you will have a habit that will keep you from getting in debt again. But if I should now clear you out, next year you would be just as deep in as ever. You say you would almost give your place in Heaven for $70 or $80. Then you value your place in Heaven very cheaply, for I am sure you can with the offer I make you get the seventy or eighty dollars for four or five months work. You say if I furnish you the money you will deed me the land, and, if you don't pay the money back, you will deliver possession. Nonsense! If you can't now live with the land, how will you then live without it? You have always been [kind] to me, and I do not now mean to be unkind to you. On the contrary, if you will but follow my advice, you will find it worth more than eight times eighty dollars to you.

Affectionately your brother,

A. Lincoln

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ARE ANTITRUST LAWS THE *Answer?*

KEITH S. WOOD

EDITOR: *The Wall Street Journal:*

THERE have been a number of editorials in your paper about the need to apply antitrust regulations to the unions. However, I feel there is another side to this argument which needs to be explored. This is the fact that the antitrust laws are not necessarily a good solution.

It seems to me that the problem could be solved better by the enforcement of laws we already have. In particular, I mean the right of a company to continue to operate while its unionized employees are on strike.

There is one reason – and only one – why companies close down their plants when a union goes on strike. This is the fact that management and employees who continue to work are threatened and abused by those who go on strike. This is illegal, but it is tolerated by most police departments and local governments.

If this injustice were vigorously suppressed, no strike would be widely damaging to our economy. Then we wouldn't need to try to define how big a union can be – just as it has been found difficult to define how big a business ought to be. As long as each individual and each organization of individuals is guaranteed equal justice under law, relative size is unimportant. ◆

From "Letters to the Editor," *Wall Street Journal*, January 18, 1960. Mr. Wood is a businessman from Oregon, Illinois.

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ANSWERING SOME QUESTIONS ABOUT

the Remnant

EDMUND A. OPITZ

EDITOR'S NOTE: *Each member of the senior staff of FEE has certain assigned chores, but otherwise he is pretty much at liberty to deploy his time and energy according to his own inclinations and experience. One member of the staff is a clergyman with extensive contacts among the ministry of the various denominations. Several years ago he helped launch a clerical fellowship, "nondenominational in scope, scholarly in interest, and country-wide." A recent memorandum sent to the members may be of interest to readers of* THE FREEMAN. *For further information address The Remnant, 30 South Broadway, Irvington, New York.*

What is The Remnant? The Remnant is a fellowship of churchmen who seek better ways of bringing their religious convictions to bear upon the problems of contemporary society. Our institutions and our way of life, we believe, are intimately related to the basic dogmas of Christianity. From this source we derive our convictions as to the meaning of life, the nature of man, the moral order, and the rights and responsibilities of individuals. The American system which has nurtured us was, despite its faults and contradictions, a projection of our religious heritage. The original American equation had a built-in religious content, but that equation ceases to balance as the religious factors are leached out of it. Their rehabilitation is our major concern.

The problem of relating religion and society was prematurely settled in the minds of those who, in recent generations embraced such slogans as: "Christianity is the religion of which socialism is the practice." Now that socialism has backfired, this mentality declares that religion has no relevance to social problems – except as the churches successfully enter the game of power politics. The Remnant will be of little interest

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to those satisfied by this "answer." But for those who are still asking questions it seeks to work quietly, wherever there are lines of communication, for a healthier relationship between the inner life of individuals and the structures of public life.

Who belongs? Ministers, mostly — those who put a premium on liberty. A man hears about The Remnant and expresses interest. A plate is cut and his name goes on the mailing list, numbering now about 250 names. This list is strictly private, as is the roster of participants at any given function. No one should be exposed to possibly unwanted personal or mail contacts merely because he is one of The Remnant.

Members of the fellowship are not asked to subscribe to any platform or take part in any action program. This is not a public organization, and members are assured that no one is authorized to make pronouncements in their name or on behalf of The Remnant. Many shades of theological opinion are represented, as well as various denominational attachments. Most of the men are parish ministers; some from big important churches, others from small important churches. There are seminary deans and professors, college presidents, editors of religious journals, and a few men from church organizations. Also, there are several interested laymen.

Members of The Remnant hold a wide variety of economic and political views. Most of them would feel that popular labels are not enlightening, but if the matter were pressed, they would probably admit to feeling less uncomfortable with such labels as "conservative," "libertarian," or "right wing," than with any other. But then they would go on to explain to the labeler that they are not much interested in merely promoting the orthodoxy he presumably conjures up in his own mind by his act of labeling. It's understanding they're after, and to get this they are willing to dig beneath labels. The vocabulary we are forced to use in the discussion of social problems is loaded with charged words and carries echoes of dead controversies. Thus the necessity of patient redefinition and exposition.

How does it operate? The Remnant has held several three-day seminars and a number of luncheon meetings. Each has been built around some outstanding scholar or scholars, men whose main contribution is in such fields as political philosophy or economics but whose thinking has a religious dimension. These meetings are by invitation only; they are private,

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off the record, tentative, and exploratory. No resolutions are passed; no action is taken to commit the group. We meet to work on ourselves. Occasionally, perhaps, we "work over" each other!

Each participant at a meeting receives an inscribed copy of one of the lecturer's books; and, from time to time, books and pamphlets are offered to the mailing list.

The Remnant has no president, no vice-president, no treasurer. It has a volunteer secretary.

This is not the only way to run a railroad, as the saying goes. For those who prefer them there are numerous organizations structured along quite different lines; tightly knit, wired for sound, geared for direct action. These are not disparaged, but it is here urged that men may think and act significantly in other ways.

How is it supported? The future is, of course, problematic. We are not endowed. The major costs of past meetings have been met by grants from a Michigan foundation, with an assist from a foundation in Illinois. We would welcome support from other sources as well.

In the initial phase, I drew up a plan for a clerical fellowship to encourage a better understanding of the contemporary social implications of Christianity. Then a proposal was made to hold a conference along these lines in the winter of 1957-58. To get help with the cost of such a conference I turned to several foundations. A grant was made, and the meeting held in Rye, New York, January 6-9, 1958. Subsequent grants have underwritten the costs of later meetings. Future meetings will similarly have to rely on whatever interest and support The Remnant program may generate.

Since The Remnant is organized informally, with neither staff nor bank account, my employer, The Foundation for Economic Education, has agreed to act as its fiscal agent. In order that contributions may be subject to an audit, the grants have been made to FEE earmarked "The Remnant," and disbursements have been made by Foundation checks. The money is used only to meet the actual expenses of a meeting. No salaries are paid and no one takes junkets around the country on Remnant money. Remnant meetings in the mid- or far-west are scheduled only when I happen to be in the area under other auspices.

What about the name? "The Remnant" was a rather hasty choice. It is a little tongue-in-cheek, conveys a tiny note of good-natured belligerency, and recognizes that our convictions have only a minority acceptance. The

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name has already gained a considerable measure of acceptance, even outside the fellowship.

Who operates it? The writer of these words sent out the original memorandum, October 11, 1957, over his own name. Since that time the communications have been anonymous, not to evade responsibility for their contents, but rather to reflèct the stance proper to such a fellowship as that described in the above paragraphs.

The Foundation for Economic Education has principal claim on my time. I am the book review editor of our monthly publication, THE FREEMAN; besides which I do some writing and some speaking. The Foundation "works within the framework of the spiritùal and ethical understanding embodied in the heritage of Western Civilization. Its conviction is that this heritage, in its social aspects, spells out into the philosophy of limited government and free market economics. Political liberty and economic freedom, in turn, are important in man's quest for material sufficiency and spiritual growth." Incidentally, THE FREEMAN solicits original articles or sermons from you along these lines. If the manuscript has potential, editorial counsel is available.

THE FREEMAN and other Foundation materials are sent out each month to some forty-five thousand persons in all parts of the globe; more than nine thousand people — including the nationals of thirty or so foreign countries — contribute financially to the support of this work.

My background includes considerable college work in economics and political science, joined with a degree of affinity for the thinkers in the classic liberal tradition. I retained an interest in these subjects during my seminary course and throughout nine years in the parish ministry. Before joining the staff of the Foundation in 1955, I undertook a ministerial conference program over a period of several years.

Long before I knew of the Foundation for Economic Education, its president, Leonard E. Read, had become keenly aware of the ethical and religious dimensions of the problem of human liberty. Thus, it is not difficult to understand why an ordained minister is on the staff of this organization.

The Foundation assumes no responsibility, financial or otherwise, for The Remnant. We use my office as our "headquarters," I am permitted to take time off now and then for our meetings, my secretary volunteers her services for the group, and I am on my own when soliciting contributions for our activities.

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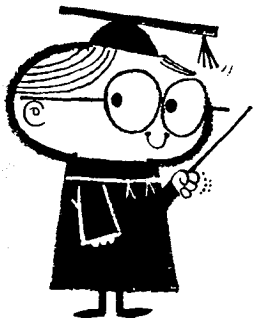

the ABC's of Modern Economics

RALPH BRADFORD

I is for Industry, builded by means
Of capital, management, men, and machines:
Money and labor, mechanics and gumption —
Useless and void without public consumption.

J is for Juvenile, crazy and frantic.
The teenager's jargon, no less than his antic,
Reflects the behavior of fathers and mothers
Who want to subsist as dependents of others.

K is for King, or the Kingdom he rules;
And the looniest one is the Kingdom of Fools,
Where everyone thinks that his children should pay
For all that he votes himself, "gratis," today.

L is for Love, which is still the great leaven
That brightens the Earth with the likeness of heaven.
Whatever man does, or whatever he craves,
'Tis love that enshrines, and ennobles, and saves.

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M is for Man, nature's noblest and worst;
The self-conscious biped, the thinker; the first
To aid his own growth and develop his mind —
Supreme in destroying himself and his kind.

N is for Noise, and of this a great deal
Is labeled as music, and makes an appeal
To juvenile minds — and another large chunk
Of noise that we hear is political bunk.

O is for Ostrich, a much-maligned bird,
Which hides not its head in the sand, as you've heard;
But assume this canard on the ostrich were true —
How much would he differ from me and from you?

P is for Poison which, taken too quickly,
Can speedily render you much more than sickly;
But some kinds of poison, if taken discreetly,
Will slowly benumb, and not kill you completely:
Addictions to "benefits" spawned by the state
Are never quite fatal until it's too late!

(To be continued)

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LUDWIG VON MISES

THE ECONOMIC FOUNDATIONS OF FREEDOM

ANIMALS are driven by instinctive urges. They yield to the impulse which prevails at the moment and peremptorily asks for satisfaction. They are the puppets of their appetites.

Man's eminence is to be seen in the fact that he chooses between alternatives. He regulates his behavior deliberatively. He can master his impulses and desires; he has the power to suppress wishes the satisfaction of which would force him to renounce the attainment of more important goals. In short: man acts; he purposively aims at ends chosen. This is what we have in mind in stating that man is a moral person, responsible for his conduct.

Dr. Mises is Visiting Professor of Economics at New York University and part-time advisor, consultant, and staff member of the Foundation for Economic Education. This article first appeared in the January 26, 1960 issue of *Christian Economics* and is here reprinted with their permission.
Further analysis of the ideas explored here may be found in Dr. Mises' best known work, *Human Action* (Yale University Press, 1949), 889 pages, also available from the Foundation for Economic Education, Irvington-on-Hudson, N. Y., for $12.50.

Freedom as a Postulate of Morality

All the teachings and precepts of ethics, whether based upon a religious creed or whether based upon a secular doctrine like that of the Stoic philosophers, presuppose this moral autonomy of the individual and therefore appeal to the individual's conscience. They presuppose that the individual is free to choose among various modes of conduct and require him to behave in compliance with definite rules, the rules of morality. Do the right things, shun the bad things.

It is obvious that the exhortations and admonishments of morality make sense only when addressing individuals who are free agents. They are vain when directed to slaves. It is useless to tell a bondsman what is morally good and what is morally bad. He is not free to determine his comportment; he is forced to obey the orders of his master. It is difficult to blame him if he prefers yielding

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to the commands of his master to the most cruel punishment threatening not only him but also the members of his family.

This is why freedom is not only a political postulate, but no less a postulate of every religious or secular morality.

The Struggle for Freedom

Yet for thousands of years a considerable part of mankind was either entirely or at least in many regards deprived of the faculty to choose between what is right and what is wrong. In the status society of days gone by the freedom to act according to their own choice was, for the lower strata of society, the great majority of the population, seriously restricted by a rigid system of controls. An outspoken formulation of this principle was the statute of the Holy Roman Empire that conferred upon the princes and counts of the Reich the power and the right to determine the religious allegiance of their subjects.

The Orientals meekly acquiesced in this state of affairs. But the Christian peoples of Europe and their scions that settled in overseas territories never tired in their struggle for liberty. Step by step they abolished all status and caste privileges and disabilities until they finally succeeded in establishing the system that the harbingers of totalitarianism try to smear by calling it the bourgeois system.

The Supremacy of the Consumers

The economic foundation of this bourgeois system is the market economy in which the consumer is sovereign. The consumer, i.e., everybody, determines by his buying or abstention from buying what should be produced, in what quantity and of what quality. The businessmen are forced by the instrumentality of profit and loss to obey the orders of the consumers. Only those enterprises can flourish that supply in the best possible and cheapest way those commodities and services which the buyers are most anxious to acquire. Those who fail to satisfy the public suffer losses and are finally forced to go out of business.

In the precapitalistic ages the rich were the owners of large landed estates. They or their ancestors had acquired their property as gifts – feuds or fiefs – from the sovereign who – with their aid – had conquered the country and subjugated its inhabitants. These aristocratic landowners were real lords as they did not depend on the patronage of buyers. But the rich of a capitalistic industrial society are subject to the supremacy of the market. They acquire their wealth by serving the consumers better than other

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people do and they forfeit their wealth when other people satisfy the wishes of the consumers better or cheaper than they do. In the free market economy the owners of capital are forced to invest it in those lines in which it best serves the public. Thus ownership of capital goods is continually shifted into the hands of those who have best succeeded in serving the consumers. In the market economy private property is in this sense a public service imposing upon the owners the responsibility of employing it in the best interests of the sovereign consumers. This is what economists mean when they call the market economy a democracy in which every penny gives a right to vote.

The Political Aspects of Freedom

Representative government is the political corollary of the market economy. The same spiritual movement that created modern capitalism substituted elected officeholders for the authoritarian rule of absolute kings and hereditary aristocracies. It was this much-decried bourgeois liberalism that brought freedom of conscience, of thought, of speech, and of the press and put an end to the intolerant persecution of dissenters.

A free country is one in which every citizen is free to fashion his life according to his own plans. He is free to compete on the market for the most desirable jobs and on the political scene for the highest offices. He does not depend more on other peoples' favor than these others depend on his favor. If he wants to succeed, he has on the market to satisfy the consumers and in public affairs to satisfy the voters. This system has brought to the capitalistic countries of Western Europe, America, and Australia an unprecedented increase in population figures and the highest standard of living ever known in history. The much talked-about common man has at his disposal amenities of which the richest men in precapitalistic ages did not even dream. He is in a position to enjoy the spiritual and intellectual achievements of science, poetry, and art that in earlier days were accessible only to a small elite of well-to-do people. And he is free to worship as his conscience tells him.

The Socialist Misrepresentation of the Market Economy

All the facts about the operation of the capitalistic system are misrepresented and distorted by the politicians and writers who arrogated to themselves the label of liberalism, of the school of thought that in the nineteenth century has crushed the arbitrary rule of mon-

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archs and aristocrats and paved the way for free trade and enterprise. As these advocates of a return to despotism see it, all the evils that plague mankind are due to sinister machinations on the part of big business. What is needed to bring about wealth and happiness for all decent people is to put the corporations under strict government control. They admit, although only obliquely, that this means the adoption of socialism, the system of the Union of Soviet Socialist Republics. But they protest that socialism will be something entirely different in the countries of Western civilization from what it is in Russia. And anyway, they say, there is no other method to deprive the mammoth corporations of the enormous power they have acquired and to prevent them from further damaging the interests of the people.

Against all this fanatical propaganda there is need to emphasize again and again the truth that it is big business that brought about the unprecedented improvement of the masses' standard of living. Luxury goods for a comparatively small number of well-to-do can be produced by small-size enterprises. But the fundamental principle of capitalism is to produce for the satisfaction of the wants of the many. The same people who are employed by the big corporations are the main consumers of the goods turned out. If you look around in the household of an average American wage-earner, you will see for whom the wheels of the machines are turning. It is big business that makes all the achievements of modern technology accessible to the common man. Everybody is benefited by the high productivity of big scale production.

It is silly to speak of the "power" of big business. The very mark of capitalism is that supreme power in all economic matters is vested in the consumers. All big enterprises grew from modest beginnings into bigness because the patronage of the consumers made them grow. It would be impossible for small or medium-size firms to turn out those products which no present-day American would like to do without. The bigger a corporation is, the more does it depend on the consumers' readiness to buy its wares. It was the wishes – or, as some say, the folly – of the consumers that drove the automobile industry into the production of ever bigger cars and force it today to manufacture smaller cars. Chain stores and department stores are under the necessity to adjust their operations daily anew to the satisfaction of the changing wants of their customers. The fundamental law of

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the market is: the customer is always right.

A man who criticizes the conduct of business affairs and pretends to know better methods for the provision of the consumers is just an idle babbler. If he thinks that his own designs are better, why does he not try them himself? There are in this country always capitalists in search of a profitable investment of their funds who are ready to provide the capital required for any reasonable innovation. The public is always eager to buy what is better or cheaper or better and cheaper. What counts in the market is not fantastic reveries, but doing. It was not talking that made the "tycoons" rich, but service to the customers.

Capital Accumulation Benefits All of the People

It is fashionable nowadays to pass over in silence the fact that all economic betterment depends on saving and the accumulation of capital. None of the marvelous achievements of science and technology could have been practically utilized if the capital required had not previously been made available. What prevents the economically backward nations from taking full advantage of all the Western methods of production and thereby keeps their masses poor, is not unfamiliarity with the teachings of technology but the insufficiency of their capital. One badly misjudges the problems facing the underdeveloped countries if one asserts that what they lack is technical knowledge, the "know how." Their businessmen and their engineers, most of them graduates of the best schools of Europe and America, are well acquainted with the state of contemporary applied science. What ties their hands is a shortage of capital.

A hundred years ago America was even poorer than these backward nations. What made the United States become the most affluent country of the world was the fact that the "rugged individualism" of the years before the New Deal did not place too serious obstacles in the way of enterprising men. Businessmen became rich because they consumed only a small part of their profits and ploughed the much greater part back into their businesses. Thus they enriched themselves and all of the people. For it was this accumulation of capital that raised the marginal productivity of labor and thereby wage rates.

Under capitalism the acquisitiveness of the individual businessman benefits not only himself but also all other people. There is a reciprocal relation between his acquiring wealth by serving the consumers and accumulating capital

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and the improvement of the standard of living of the wage-earners who form the majority of the consumers. The masses are in their capacity both as wage-earners and as consumers interested in the flowering of business. This is what the old liberals had in mind when they declared that in the market economy there prevails a harmony of the true interests of all groups of the population.

Welfare Threatened by Statism

It is in the moral and mental atmosphere of this capitalistic system that the American citizen lives and works. There are still in some parts of his country conditions left which appear highly unsatisfactory to the prosperous inhabitants of the advanced districts which form the greater part of the country. But the rapid progress of industrialization would have long since wiped out these pockets of backwardness if the unfortunate policies of the New Deal had not slowed down the accumulation of capital, the irreplaceable tool of economic betterment. Used to the conditions of a capitalistic environment, the average American takes it for granted that every year business makes something new and better accessible to him. Looking backward upon the years of his own life, he realizes that many implements that were totally unknown in the days of his youth and many others which at that time could be enjoyed only by a small minority are now standard equipment of almost every household. He is fully confident that this trend will prevail also in the future. He simply calls it the "American way of life" and does not give serious thought to the question of what made this continuous improvement in the supply of material goods possible. He is not earnestly disturbed by the operation of factors that are bound not only to stop further accumulation of capital but may very soon bring about capital decumulation. He does not oppose the forces that — by frivolously increasing public expenditure, by cutting down capital accumulation, and even making for consumption of parts of the capital invested in business and finally by inflation — are sapping the very foundations of his material well-being. He is not concerned about the growth of statism that wherever it has been tried resulted in producing and preserving conditions which in his eyes are shockingly wretched.

No Personal Freedom Without Economic Freedom

Unfortunately many of our contemporaries fail to realize what a radical change in the moral conditions of man, the rise of statism,

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the substitution of government omnipotence for the market economy, is bound to bring about. They are deluded by the idea that there prevails a clear-cut dualism in the affairs of man, that there is on the one side a sphere of economic activities and on the other side a field of activities that are considered as noneconomic. Between these two fields there is, they think, no close connection. The freedom that socialism abolishes is "only" the economic freedom, while freedom in all other matters remains unimpaired.

However, these two spheres are not independent of each other as this doctrine assumes. Human beings do not float in ethereal regions. Everything that a man does must necessarily in some way or other affect the economic or material sphere and requires his power to interfere with this sphere. In order to subsist, he must toil and have the opportunity to deal with some material tangible goods.

The confusion manifests itself in the popular idea that what is going on in the market refers merely to the economic side of human life and action. But in fact the prices of the market reflect not only "material concerns" – like getting food, shelter, and other amenities – but no less those concerns which are commonly called spiritual or higher or nobler. The observance or nonobservance of religious commandments – to abstain from certain activities altogether or on specific days, to assist those in need, to build and to maintain houses of worship and many others – is one of the factors that determines the supply of and the demand for various consumers' goods and thereby prices and the conduct of business. The freedom that the market economy grants to the individual is not merely "economic" as distinguished from some other kind of freedom. It implies the freedom to determine also all those issues which are considered as moral, spiritual, and intellectual.

In exclusively controlling all the factors of production the socialist regime controls also every individual's whole life. The government assigns to everybody a definite job. It determines what books and papers ought to be printed and read, who should enjoy the opportunity to embark on writing, who should be entitled to use public assembly halls, to broadcast and to use all other communication facilities. This means that those in charge of the supreme conduct of government affairs ultimately determine which ideas, teachings, and doctrines can be propagated and which not. Whatever a written and promulgated constitution may say about the freedom of con-

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science, thought, speech, and the press and about neutrality in religious matters must in a socialist country remain a dead letter if the government does not provide the material means for the exercise of these rights. He who monopolizes all media of communication has full power to keep a tight hand on the individuals' minds and souls.

The Illusions of the Reformers

What makes many people blind to the essential features of any socialist or totalitarian system is the illusion that this system will be operated precisely in the way which they themselves consider as desirable. In supporting socialism, they take it for granted that the "state" will always do what they themselves want it to do. They call only that brand of totalitarianism "true," "real," or "good" socialism the rulers of which comply with their own ideas. All other brands they decry as counterfeit. What they first of all expect from the dictator is that he will suppress all those ideas of which they themselves disapprove. In fact, all these supporters of socialism are, unbeknown to themselves, obsessed by the dictatorial or authoritarian complex. They want all opinions and plans with which they disagree to be crushed by violent action on the part of the government.

The Meaning of the Effective Right to Dissent

The various groups that are advocating socialism, no matter whether they call themselves communists, socialists, or merely social reformers, agree in their essential economic program. They all want to substitute state control – or, as some of them prefer to call it, social control – of production activities for the market economy with its supremacy of the individual consumers. What separates them from one another is not issues of economic management, but religious and ideological convictions. There are Christian socialists – Catholic and Protestant of different denominations – and there are atheist socialists. Each of these varieties of socialism takes it for granted that the socialist commonwealth will be guided by the precepts of their own faith or of their rejection of any religious creed. They never give a thought to the possibility that the socialist regime may be directed by men hostile to their own faith and moral principles who may consider it as their duty to use all the tremendous power of the socialist apparatus for the suppression of what in their eyes is error, superstition, and idolatry.

The simple truth is that individuals can be free to choose between what they consider as right

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or wrong only where they are economically independent of the government. A socialist government has the power to make dissent impossible by discriminating against unwelcome religious and ideological groups and denying them all the material implements that are required for the propagation and the practice of their convictions. The one-party system, the political principle of socialist rule, implies also the one-religion and one-morality system. A socialist government has at its disposal means that can be used for the attainment of rigorous conformity in every regard, "Gleichschaltung" as the Nazis called it. Historians have pointed out what an important role in the Reformation was played by the printing press. But what chances would the reformers have had, if all the printing presses had been operated by the governments headed by Charles V of Germany and the Valois kings of France? And, for that matter, what chances would Marx have had under a system in which all the means of communication had been in the hands of the governments?

Whoever wants freedom of conscience must abhor socialism. Of course, freedom enables a man not only to do the good things but also to do the wrong things. But no moral value can be ascribed to an action, however good, that has been performed under the pressure of an omnipotent government.

Reprints available: 10 for $1.00.

IDEAS ON LIBERTY

Hidden Taxes

THE AVERAGE PERSON knows how much he shells out directly to the tax collector on his income every year.

But hidden taxes are another thing, the Tax Foundation notes.

Here are a couple of examples of how government silently reaches into the taxpayer's pocket.

Bread prices – reflecting taxes on the land the grain is grown on, the seed that's sown, the machinery that plows and harvests and mills the wheat, the fuel, the transportation, the baker, the wrapper, and so on – contain 151 hidden taxes. Add some vitamins and you add more taxes.

A man's suit of clothes bears a price tag representing 116 hidden taxes. A house has at least 600 hidden taxes. There are at least 100 hidden taxes on eggs.

This silent siphoning of taxpayer's money by federal, state, and local governments boosts the tax bill of the average family with $7,500 annual income from $1,770 direct taxes to $2,600 total.

A January 11, 1960 news release of the Merchants and Manufacturers Association, Los Angeles.

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AMERICANA ON RAILS

WALTER MILLIS, in writing about the second half of the nineteenth century in America, once remarked that the period was one which few people who came through it would care to live over again. Others have scorned the "brown decades," or the era of the "great barbecue." So the historians have delivered their verdict on the post-Civil War years – and it cannot be said that the writers who provided some of the original raw material for the historians were misinterpreted. After all, Mark Twain wrote disparagingly of the "gilded age," William Dean Howells directed his later fiction to socialistic conclusions, and Henry James spoke his mind on America by taking up residence in England.

In his *1877: Year of Violence* (Bobbs-Merrill, 384 pp., $5.00), Robert V. Bruce, an engineer turned historian, has sought to provide a dramatic overture to the literature of denigration. His theme is the rise and fall of the first big national railroad strike, which started in West Virginia on the Baltimore and Ohio Railroad in July of 1877 as a response to a wage cut and quickly fanned out over the country. As Mr. Bruce works it out, the strike was a prelude to a lot of things. It gave labor the first inklings of its latent power. It served notice on employers that the industrial revolution could not be carried through if the rights of stockholders were to be regarded as having priority over the rights of the workingman. And, finally, it struck the first faint chords in what was to become a grand requiem for the supposedly iniquitous laissez faire.

Since history itself has acted as if Mr. Bruce were correct in his moral evaluation of 1877, it is hard to argue with him. The events of 1877 did have a dismaying effect on a whole host of people. Looking back on his presidency, the Honorable Rutherford B. Hayes was not at all sure that he had performed the whole of his duty in calling out federal troops to keep the freights and the mails rolling. Even when he was still President he began

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playing with the idea of railroad regulation. By the mid-eighties he was asking himself a strange question: "Shall the railroads govern the country, or shall the people govern the railroads?" As for the railroad managements themselves, says Mr. Bruce, they "now realized that labor policy could not be left to lesser officials."

Interstate Commerce Commission

The Interstate Commerce Commission, which came at the end of the eighties, was one result of the "shock waves" sent out by 1877. Mr. Bruce seems to be satisfied that federal control was the instrument which defeated the Marxists who, for the first time in American history, reared their ugly heads in the year of the Great Strike. The Marxists were particularly active in Cincinnati, Chicago, and St. Louis, towns which had large German immigrant populations in the seventies. But the American habit of caution had been learned by an immigrant from London, Samuel Gompers, who pushed his own cigar maker's union, the parent of the A.F. of L., into a program of step-by-step amelioration. It was Gompers who defeated the Marxists.

With Mr. Bruce's assiduous fact-gathering the reader can have no legitimate quarrel. Nor can one deny that Mr. Bruce has written a dramatic and forceful book. But certain things about Mr. Bruce's concluding chapter, the one called "Shock Waves," don't add up. The depression of the eighteen seventies came to an end with a bountiful crop in 1877 that the American farmer marketed at good prices. The so-called Granger decisions, which went against the farmers in March of 1877, did not lead to wicked collusion between the railroads to milk the farmer of his profits. For three years in the late seventies the crops rode to market and made money for the producers. Moreover, the railroads rescinded some of the paycuts as soon as the depression had lifted. Laissez faire triumphed over the bad banking practices of the Jay Cooke era.

It Didn't Happen That Way

The "year of violence," then, turned out to be a pause in a general forward movement. Yet it is undeniable that the American people were themselves misled by the great strike into nurturing all manner of fears for the future. Looking ahead, they could only see the monster trusts combining to keep all save a handful of fortunate capitalists in complete misery. But as Garet Garrett has so convincingly set forth in his *The American Story*, it didn't happen that way at all. The people were entirely wrong in their expectations.

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Puzzled by Mr. Bruce's tone, I went to that most useful of books, F. A. Harper's *Why Wages Rise*. And there, on page eleven, was the graph which will long continue to mock all the historians who have specialized in slandering the late nineteenth century. The graph shows a yearly increase of 1.27 per cent in real wages for the period 1855-1895, a yearly increase of 0.55 per cent for 1896-1916, and a yearly increase of 2.47 per cent for 1917-1955. Another graph, on page 90, shows a steadily rising curve of productive capacity, with about half its benefits taken as goods and services and the other half taken as leisure. The dip in the late seventies is hardly noticeable on either graph when projected against the prevailing upward slopes of the lines. And the curious thing about it is that there is no correlation between union activity and wage increases. Between real wages and productivity, however, there is a correlation.

No doubt there would be a crude correlation between the rise in productivity and the increase in federal regulation and control of the business system. But, despite Mr. Bruce, it would take more than mortal ingenuity to make out a convincing argument that the regulation has caused the mounting productivity; the brakes do not run the automobile. Quite obviously it is the productivity itself that pays for the regulation. And there is good reason to believe that there might have been even more productivity if there had been less federal meddling with the movement of money, men, and materials into increasing the per capita amount of tools available to the individual workingman.

Questionable Economics

The economics of Mr. Bruce's book are suspect – and the author is half aware of this himself. Quite early in his book he remarks that farming, in 1877, was still the biggest business in America; in number of gainful workers it "outstripped by a whisker all other classifications put together." Moreover, country folks still outnumbered city folks "better than two to one." So it is doubtful that the railroad strike really threatened the foundations of society. Moreover, there was a reason why the railroad managers cut wages during the depression of the seventies: they had to bid high for the capital needed to push their lines to the West and to buy the steadily improving equipment. The "hunger for capital" was not expressed at the long-term expense of the American workingman; on the contrary, it led directly to a vast proliferation of jobs. Everywhere the railroads went, production followed.

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The "hunger for capital," which took the form of paying high dividends to get it, resulted in better livings for more people – and what is this if it is not "social justice"?

If Mr. Bruce's book is economically suspect, the author is right about the shortsighted public relations aspects of the railroads' behavior in the seventies. The big trunk lines seemed to act as a unit in "ganging up to subjugate their employees in detail." By doing this they invited united action by the trainmen. The "industry-wide" aspects of the railroad managements' anti-union activities provoked an industry-wide response. An industry which had given an impression that it had been dependent on the federal bounty of land grants and subsidies should have bent over backwards to avoid any suspicion of concerted arrogance.

The McKinley Era

Even so, there is little point at this late date in harping on the alleged "social Darwinism" of the railroad managers. In spouting the well-worn phrases of anticapitalist literature, Mr. Bruce is bowing to an antiquated convention. This convention has yet to answer Mr. Harper's two eloquent graphs. It also has to explain away the enormous difference between the United States of 1877 and the United States which the reader will encounter in Margaret Leech's *In the Days of McKinley* (Harper, 686 pp., $7.50).

In the nineties, before the election of McKinley, there was a depression that was fully as bad as that of 1877. But the nation showed enormous recuperative powers: under the placid surface of the eighteen eighties, something had happened. American productivity had established its base. And McKinley profited by this despite his foolishness about insisting on a high tariff that the economics of mass production was shortly to undercut.

Aside from the tariff, Miss Leech makes McKinley out to have been both an attractive and an enlightened man – not at all the fusty "reactionary" of popular portraiture. He was not as strong as he might have been; after all, he allowed himself to be pushed into the Spanish-American War against his personal judgment. But he and his political manager, Mark Hanna, were both quite sincere – and quite right – in arguing that William Jennings Bryan's inflationism would have been "anti-labor" in its actual effect. Far from being a Big Business party in 1896 and 1900, the Republican Party was really and truly the party of the "full dinner pail." And the Ohio workingman of 1896 knew McKinley as a friend, even

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as this workingman's grandchildren knew that another Ohioan, Bob Taft, was really in their corner a half century later.

Miss Leech's book has a pleasant, honest quality. And its dedication – to "those whose childhood knew the three-dimensional stereopticon and the colorful velocity of the magic lantern; who remember the wonder of the known voice pulsating over the telephone wire, and the exhilaration of the privileged pioneers of automotive power, speeding at twenty miles an hour through a distracted countryside" – shows how wrong the "literature of denigration" has been. Despite this denigration, we have had a great history since 1877. It is time for authors like Mr. Bruce to reckon with F. A. Harper's graphs.

▸ ERNEST BENN – COUNSEL FOR LIBERTY

By Deryck Abel. London: Ernest Benn, Ltd. 192 pp. 21 shillings. (To obtain this book, send a check for $3.00 directly to Ernest Benn, Ltd., Bouverie House, Fleet Street, London, EC4.)

BENN was an outstanding figure of his time. Business genius, uncompromising fighter for libertarian ideas and sound economics, individualist and publicist, he remained, until his death in 1954, the gifted controversialist. During the height of Benn's most notable campaigns, Mr. Abel became a close associate. His book is no conventional biography. It is a portrait of a mind and a personality. A preface by Benn's eldest son furnishes some personal data.

Sir Ernest Benn was a young man when he took over control of the family's small publishing business. Ever a firm believer in a philosophy of high-production-high-wages-high-profits-and-low-prices, he built up a trade press empire as well as a book publishing concern. Arnold Bennett and H. G. Wells were among its authors. A "sixpenny" library pioneered in the twenties by Benn could claim book sales running into millions. These were the precursors of the modern paperbacks.

Benn relished the conduct of his business, yet found time for a prodigious amount of public work – speaking, writing, broadcasting, and debating. As a Liberal of the Manchester School, a crusader for liberty and for the rights of the individual, he was well equipped with the gifts of highmindedness and practicality. He was a disciple of Bastiat and possessed something of Bastiat's wit. His ideals had been fashioned by Spencer, Cobden, and Mill; his views tested and tempered by the ways of Whitehall.

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In 1921, he paid his first visit to the United States where, incidentally, he was so impressed after a day at Princeton that he sent his eldest son there the following year. "The whole force of public opinion in America," he wrote on his return, "is directed to teaching its people how to push. Our public opinion . . . seems to be concerned with teaching our people how to lean."

Later years, certainly every year from 1944 until 1953, brought invitation after invitation to Benn from Individualist leaders in the States to undertake coast-to-coast lecture tours for the propagation of the libertarian cause. But as Mr. Abel tells us, he steadfastly declined them all. "Benn refused to enter America a pauper, dependent, as he put it, upon the charity of his hosts save for a £5 note in his wallet vouchsafed him by the administrators of exchange control."

Long before his individualist ideas were to find expression through the movements that were to follow, he found the perfect outlet for his views in prolific contributions to the press. Between 1921 and 1926, he contributed some 25,000 words to the correspondence columns of *The Times* alone – letters which the editor allowed him to publish in book form; letters which, as the *New York Herald Tribune* commented, "are vitally English, but this is the kind of English character that laid the foundation of the United States."

Twice, in 1926 and again in 1941, Benn and many like-minded colleagues from all walks of life created the Individualist Bookshop and the Society of Individualists as the media for their ever expanding movement. Successful meetings were held in leading centers throughout Britain. And for many years, regular lunches attracted hundreds of prominent guests, and speakers of the caliber of Lord Leverhulme, Chairman of the Unilever empire; Lord Perry, Chairman of Fords (in Britain); Sir Carleton Allen, Warden of Rhodes House, Oxford; F. W. Hirst, former editor of *The Economist* and biographer of Morley, Jefferson, and Adam Smith; and Greville Poke, periodical publisher.

Benn's attitude, epitomized in Tom Paine's dictum that "government even at its best state is but a necessary evil," often made him appear extremist and, to some, eccentric. Yet as *The Times* put it: "It was easy to mock his views, for he knew no middle way and was often exaggerated in the emphasis of his warnings. . . . He was the spokesman of no interest but of an idea – of one aspect of Liberalism which not even a collectiv-

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ist society, if it wishes to remain free, dare ignore." He foresaw and feared the prospect of the over-organized, over-regimented society. The techniques and devices of the new collectivist age infuriated him.

The concept of the Minister/Judge – the minister who is judge in his own case – would have provoked his fiery wrath. The modern British practice of diverting land compulsorily acquired for one purpose to a wholly different purpose without as much as "by your leave" would have provoked a hundred of his famous "Murmerings." He even refused to complete his Census form. The Census regulation, he insisted, committed more than one breach of the liberty of the subject. His campaign against the identity card –"the Englishman's badge of servitude"– carried the libertarian cause to victory in the historic Willcock case of 1951.

Mr. Deryck Abel has written a lively, scholarly narrative, distinguished for its clarity of diction and elegance of style. Benn's ideas on social and political questions may have seemed extremist to those who recoiled from going the whole way with him, but he was pre-eminently the spokesman and symbol of Western man's love of liberty in all its contexts. The detailed argumentation of this study will commend itself to everyone who cherishes personal and civic liberty and public economy, alike in Britain and the United States.

WILFRED ALTMAN

▶ UNITED STATES AID AND INDIAN ECONOMIC DEVELOPMENT

By P. T. Bauer. Washington, D.C.: American Enterprise Association. 119 pp. $1.00.

COMMUNIST China excepted, no country in the world offers so many contrasts and problems as India. She has a population of 400 million plus (greater than all of South America, Africa, and Australia combined) and more than 700 dialects. The Indian nation is as poor as it is populous. Its $60 per capital annual income is among the lowest in the world, about one-fortieth of that of the United States, and is reflected in its half a million beggars and 7 million unemployed.

India today is the largest recipient of American economic aid, having received from $1.5 to $2 billion, thereby raising an important question: Will this aid benefit the Indian citizen and at the same time cause that nation to align itself with the West?

Definitely not, says author P. T. Bauer, British economist. Given the current direction of Indian

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economic policy, increasing foreign aid "would be much more likely to retard the rise of general living standards in India than to accelerate it, and to obstruct rather than promote the emergence of a society resistant to totalitarian appeal."

There are many reasons for Bauer's conclusions, not the least of them being socialist Prime Minister Nehru's firm antipathy toward capitalism. The principal goal of Indian economic planning —formally accepted by the Indian Parliament in 1954, and reiterated many times since — is "the adoption of the socialist pattern of society." This socialist system, with its Soviet-like five-year economic plans, shows itself in massive expenditures on heavy industry, small expenditures on agriculture, limitations on consumer goods, and the countless other restrictions which symbolize a collectivist economy.

Professor Bauer rejects aid to India (as proposed in the Senate by the Kennedy-Cooper Resolution) not so much because of the expense to the American taxpayer *but because of the cost to India.* The U.S., pursuing such a policy, "would make it inevitable that [India] is pushed further in the direction . . . of a completely socialized economy . . . in which the range of choice of individuals is severely circumscribed . . . and in which the state is all powerful."

What the author recommends is that U.S. aid be withheld until the Indian government pursues "a policy designed to raise living standards and to promote an anti-totalitarian society."

"The shape and direction of the aid program of the United States," author Bauer writes, "will undoubtedly be a major factor in influencing the economic policy of the government of India. It is much to be hoped that the resources of the United States will be harnessed to policies designed to promote the welfare of the Indian masses, rather than to policies designed to socialize or even to sovietize the most populous country of the non-Communist world." EDWIN MCDOWELL

▶ THE ADAMS-JEFFERSON LETTERS.

Edited by Lester J. Cappon. Chapel Hill: The University of North Carolina Press. Two Volumes, $12.50.

IN HIS *Memoirs of a Superfluous Man,* Albert Jay Nock wrote that the letters which passed between John Adams and Thomas Jefferson comprised "one of the truly great correspondences in literary history." In his "biography" of Mr. Jefferson, written seventeen years earlier in 1926, Mr. Nock wrote

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optimistically: "Perhaps the recent increase of interest in the literature of that period will touch the flinty heart of some publisher and induce him to let the world once more see, in accessible and convenient form, the best that the period could do." Well, at last Mr. Nock can rest easy, for it has been done. This set, published for the Institute of Early American History and Culture at Williamsburg, Virginia, contains the complete correspondence between Thomas Jefferson and Abigail and John Adams.

For a few persons nothing more need be said. They will hasten to their library or bookstore for a copy, then read, "in accessible and convenient form," the remarkable correspondence between two of our Founding Fathers who were, at once, so very much alike and so different in their ideas. For others, a few more words are necessary.

Much has been written about Thomas Jefferson, "author of the Declaration of American Independence, of the Statute of Virginia for religious freedom, and father of the University of Virginia." From any angle he was a great man. That delightful champion of tolerance, Hendrik Willem van Loon, offered this view of the sage of Monticello: "Early in the sixteenth century it was said of Erasmus, the great humanist, that he liked the Popish way of living but the Lutheran way of thinking. With an equal degree of truthfulness it can be stated of Jefferson that he liked the aristocratic way of thinking and the democratic way of living." And, here is John Adams' first impression of Jefferson:

> Mr. Jefferson came into Congress in June 1775, and brought with him a reputation of literature, science, and a happy talent of composition... Though a silent member in Congress, he was so prompt, frank, explicit, and decisive upon committees and in conversation... that he soon seized upon my heart.

Relatively little has been written about John Adams, in the words of van Loon, "a person of tremendous usefulness during a period of unrest, a rock-ribbed, humorless, and aloof personage, as indifferent to royal displeasure or popular approval as a chunk of Vermont marble." Consequently, he made many enemies and his admirers are few in number. But judging by Mr. Adams' contributions to the Revolutionary cause, this poor treatment is hardly fair. James Street had this to say about the renowned citizen of Quincy:

> We have never given John Adams his due. He was to win crowns that other men would wear. He did a lot of the spadework for our Constitution, and yet that monument is to

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the glory of James Madison who shaped it and polished it. He was a conservative's conservative in an age of liberalism, an oligarchist at a time when democracy was pipping the shell. He died an unpopular man. But we owe him much, this John Adams who had respect for justice and who, like Franklin, really shoved in his blue chips when the revolutionary game got going.

John Adams and Thomas Jefferson had been very close during the Revolution and immediately thereafter, but toward the end of the century political differences separated them; probably it was the fanatics in both parties who were responsible for this unfortunate separation. The period of coolness lasted a dozen or so years. Finally, Dr. Benjamin Rush was successful in affecting a reconciliation between the two old men, and their correspondence resumed in 1812. It began with John Adams writing to Mr. Jefferson that he was sending him "two pieces of homespun." Mr. Jefferson immediately answered and thanked him for the homespun (not yet received) which he thought was clothwork of some sort. Actually it was, as Mr. Adams told him in his next letter, two volumes written by his son, John Quincy Adams. The ice having been broken, many letters passed between Monticello and Quincy from 1812 until 1826.

When writing about two men the likes of John Adams and Thomas Jefferson, a few words are just not enough; but one quotation must suffice here – a quotation from one of Mr. Jefferson's letters to Mr. Adams near the end of their lives in this world. The optimism of the writer is especially refreshing today, and it should be kept in mind that Mr. Jefferson was not an idle dreamer, speculating on humanity from the confines of an ivory tower. Also to be remembered is the fact that he was wise enough to predict in 1821 that "our government is now taking so steady a course as to show by what road it will pass to destruction, to wit: by consolidation first (i.e. centralization) and then corruption, its necessary consequence."

> I will not believe our labors are lost. I shall not die without a hope that light and liberty are on a steady advance. We have seen indeed, once within the record of history, the complete eclipse of the human mind continuing for centuries. . . . Even should the cloud of barbarism and despotism again obscure the science and liberties of Europe, this country remains to preserve and restore light and liberty to them. In short, the flames kindled on the 4th of July, 1776, have spread over too much of the globe to be extinguished by the feeble engines of despotism, on the contrary, they will consume these engines and all who work them.

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John Adams and Thomas Jefferson both died on July 4, 1826, exactly fifty years after taking part in one of the greatest events of world history. Both were great men. James Street once observed that "it has been a long time between Jeffersons." The same may be said of John Adams.

ROBERT THORNTON

HUMAN NATURE AND THE HUMAN CONDITION

By Joseph Wood Krutch. New York: Random House. 211 pp. $3.95.

WITH engaging urbanity Joseph Wood Krutch surveys our present predicament. His are the insights and comments of an original, old style humanist exploring our "age of anxiety." Far from being taken in by the dubious assumptions, theories, and conjectures which motivate so many of our contemporaries, Dr. Krutch applies the searching skepticism of a civilized and free man to what is currently being foisted on us. His conclusions are disturbing; and we should be disturbed, for we have too long assumed that this is the "greatest and richest civilization" ever heard of — hence the most successful. Dr. Krutch dissents. Unless we mend our ways and base our activities and aspirations on human nature as revealed by recorded history, the author implies we may soon be the greatest success since the dinosaur!

Take advertising, as legitimate an enterprise as any, but one which lapses into extravagant distortions to the extent that it mirrors our society's warped value system. It is a trade which has been inflated into a position as influential as that once occupied by church and school. The practitioners of this trade, which is now a "built in" factor in our economy, must be subservient to every whim of the consumer no matter how infantile. They engage in the deliberate creation of new wants which are hardly necessary for a well-balanced existence. This has led Dr. Krutch to formulate a Rich Richard's Almanack, a new compendium which includes the motto, "Waste or you will want." This naturally leads the author to considerations of expanding populations and diminishing natural resources, problems now assuming major importance even in the popular mind.

Neatly coupled with our new motto is our present custom of ever-expanding credit and borrowing to keep the consumer buying things which he may not really need, and for which he cannot pay. Since we indulge in deficit financing with a vengeance in private life, it is no wonder that deficit financing in government is ac-

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cepted with so little opposition. Dr. Krutch might have gone on to say that the most exemplary specimen of spending and wasting is the national government.

Our slovenly educational system is viewed at length. This is a field in which Dr. Krutch, as an eminent professor, is at home. The present trend to adapt everything to a norm of mediocrity leads to reflections on where our leadership is to come from when the populace will have been "educated" as painlessly as possible to not read, think, or aspire.

Similarly, Dr. Krutch claims, we have exhausted our philosophical and moral capital, and must replace it if we are to survive. Rejecting the present popular relativist position and all the mechanist and Marxian conclusions that environment alone makes the man, he reaffirms an innate sense of right and wrong in men, a natural devotion to justice and freedom, and a native responsiveness to higher claims than a merely physically comfortable existence. He emphatically points out that literature and the fine arts give a truer picture of man than all the muttered and awkwardly phrased treatises of sociologists, anthropologists, and psychologists. In making this point Dr. Krutch compares the present dim and bleak picture of man portrayed by contemporary writers and artists with the pictures presented by the great writers and artists of the past. He stresses the urgent need for mature aspiration on the part of all courageous men to transcend the present precarious situation, and become their true selves. Once more the real spirit of America has spoken.

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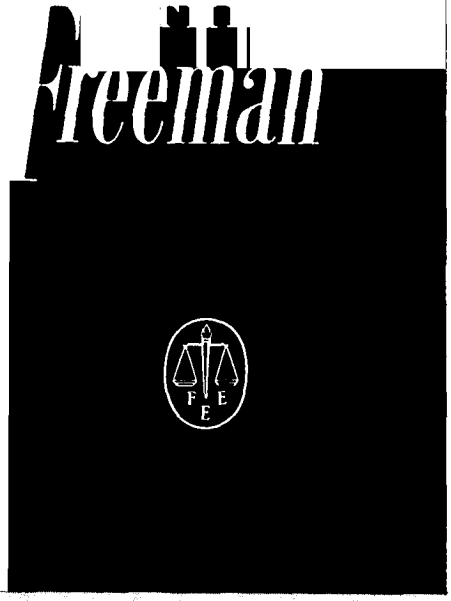

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